

AN ORDINANCE OF THE CITY OF GLENDALE, CALIFORNIA AMENDING SECTIONS 4.32.020, 4.32.060 AND 5.100.020 AND ADDING CHAPTER 5.110 TO THE GLENDALE MUNICIPAL CODE, 1995, RELATING TO TRANSIENT OCCUPANCY TAX, BUSINESS REGISTRATION, REGULATION OF HOME-SHARING AND PROHIBITION OF VACATION RENTALS

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE:

SECTION 1. Section 4.32.020 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

4.32.020 Definitions.

For the purposes of this chapter, the following words and phrases shall have the meanings ascribed to them unless otherwise noted:

"Hotel" means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, any dwelling used for home-sharing as defined in Section 5.110.030, motel, studio hotel, boarding house, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location or other similar structure or portion thereof.

"Occupancy" means the use or possession, or the right to the use or possession of any room or rooms or portions thereof, in any hotel for dwelling, lodging or sleeping purposes.

"Operator" means the person who is proprietor of the hotel, whether in a capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other capacity. Where the operator performs his or her functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this chapter and shall have the same duties and liabilities as his or her principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall, however, be considered to be compliance by both.

"Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate or any other group or combination acting as a unit.

"Qualified rental agreement" means and is limited to a written contract signed by both the landlord and the tenant, legally enforceable by either party, for a rental period of not less than thirty-one (31) consecutive days. "Qualified rental agreement" shall expressly exclude: (1) any agreement regardless of length of the rental term which is terminated for any reason by either party or by mutual consent prior to the thirty-first (31st) consecutive day of the tenancy; or (2) any agreement regardless of the length of the rental term which is for occupancy of space in an establishment which is authorized

as a hotel as defined herein; or (3) any agreement regardless of the length of the rental term for occupancy of space by any recreational vehicle as defined by Section 799.24 of the Civil Code of the state of California or any successor provision thereto; or (4) any agreement which would be unlawful or constitute a violation of law.

“Rent” means the consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever.

“Tax administrator” means the director of administrative services of the city of Glendale, or his or her authorized representative.

“Transient” means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any such person shall be deemed to be a transient until the thirty-first (31st) consecutive day of such occupancy and the tax shall be due upon all rent collected or accruing prior to said thirty-first (31st) consecutive day unless the occupancy is pursuant to a qualified rental agreement. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of the ordinance codified in this chapter may be considered.

SECTION 2. Section 4.32.060 of the Glendale Municipal Code, 1995, is amended to read as follows:

4.32.060 Hotel registration and certificate.

Within thirty (30) days after the effective date of the ordinance codified in this chapter, or within thirty days after commencing business, whichever is later, each operator of any hotel renting occupancy to transients shall register such hotel with the tax administrator and obtain from the tax administrator a “transient occupancy registration certificate” to be at all times posted in a conspicuous place on the premises. This section shall be applicable to home-sharing upon the effective date of Chapter 5.110. Such certificate shall, among other things, have the following:

- A. The name of the operator;
- B. The address of the hotel;
- C. The date upon which the certificate was issued; and
- D. A statement to read:

This Transient Occupancy Registration Certificate signifies that the person named on the face hereof has fulfilled the requirements of the Uniform Transient Occupancy Tax Ordinance by registering with the tax administrator for the purpose of collecting from transients the Transient Occupancy Tax and remitting said tax to the City. This certificate does not authorize any person to conduct any unlawful business or to conduct any lawful business in an unlawful manner, nor to operate a hotel without strictly complying with all local applicable laws, including but not limited to those requiring a permit from any board, commission, department or office of this city. This certificate does not constitute a permit.

SECTION 3. Section 5.100.020 of the Glendale Municipal Code, 1995, is amended to read as follows:

5.100.020 Business registration certificate required.

A. No person, firm, corporation or other entity shall conduct any business including, but not limited to non-profit institutions, private schools and churches, within the city without having first obtained a valid business registration certificate from the director of community development, or any designee thereof. Said business registration certificate shall be renewed annually one (1) year after date of issuance.

B. A business registration certificate shall not be required for businesses operated pursuant to chapter 30.45 of this code for home occupation permits. Additionally, the following land uses shall not be required to obtain a business registration certificate: domestic violence shelter; emergency shelter; home-sharing as defined in Section 5.110.030; multiple residential dwellings; residential congregate living, limited; residential congregate living, medical; residential congregate living, non-medical; and senior housing.

C. Every person having a business registration certificate under provisions of this chapter and carrying on a trade, occupation or activity at a fixed place of business shall keep such certificate posted and exhibited while in force in some conspicuous part of his or her place of business. Every person having a certificate issued under the provisions of this chapter shall produce and exhibit the same when applying for a renewal thereof, and whenever requested to do so by any police officer or by any officer or city representative authorized to issue, inspect, regulate or collect license and permits.

SECTION 4. Chapter 5.110 is added to the Glendale Municipal Code, 1995, to read as follows:

CHAPTER 5.110 – HOME-SHARING REGULATIONS AND PROHIBITION OF VACATION RENTALS

5.110.010 Purpose and Intent

The purpose of this Chapter is to establish regulations governing the rental of residential property for thirty (30) consecutive days or less within the city of Glendale. The intent of this Chapter is to allow limited home-sharing and prohibit vacation rentals, as defined. The establishment of these regulations will help maintain adequate and affordable housing stock for residents in accordance with the City's Housing Element of the General Plan, and ensure that home-sharing does not become a nuisance or threaten the public health safety or welfare due to excessive noise, disorderly conduct, overcrowding, traffic congestion, illegal parking, the accumulation of refuse, and other impacts related to home-sharing and vacation rentals.

5.110.020 Applicability

- A. **Dwellings Eligible for Home-sharing.** Home-sharing is allowed in single-family dwellings, condominiums, and multiple residential dwellings, except where prohibited by law or agreement, including, but not limited to: affordable housing covenants; leases or rental agreements; or, covenants, conditions and restrictions. As set forth in Section 30.34.080, home-sharing is not allowed on any property with an accessory dwelling unit (in either the primary residential dwelling or the accessory dwelling unit).
- B. **Vacation Rentals Prohibited.** Vacation rentals, as defined in this Chapter, are a prohibited use in all zones throughout the City. Subject to amortization set forth in Section 30.60.030(O), no person shall operate a vacation rental in the City.

5.110.030 Definitions

For the purposes of this Chapter, the following words and phrases shall have the meanings ascribed to them unless otherwise noted:

- A. **“Dwelling”** shall mean the definition contained in Section 30.070.050.
- B. **“Guest”** means a person who pays to occupy a dwelling for thirty (30) consecutive days or less, or an invitee of such person.
- C. **“Home-sharing”** means an accessory use of a dwelling for the purpose of providing temporary lodging, for compensation, for periods of thirty (30) consecutive days or less, where at least one host lives on site throughout the guest's stay.
- D. **“Host”** means a person who is a lawful occupier of a dwelling who has occupied the dwelling for at least sixty (60) consecutive days with intent to establish that dwelling as his or her residence. A host may be an owner or lessee.
- E. **“Hosting platform”** means a marketplace in whatever form or format which facilitates home-sharing, through advertising, matching, or any other means, using any medium of facilitation, and from which the operator of the hosting platform derives revenues, including booking fees or advertising revenues, from providing or maintaining the marketplace.
- F. **“Lives on site”** means being physically present in the dwelling where home-sharing is conducted and engaging in activities of daily living, which include, but are not limited to, sleeping overnight, preparing or eating meals, bathing, washing, and dressing.
- G. **“Person”** means any individual, corporation, company, firm, association, partnership, co-partnership, joint venture, joint stock company, receiver, syndicate,

club, estate, business trust, organization or any other legal entity or the authorized representative thereof.

- H. **“Vacation rental(s)”** means an accessory use of a dwelling for the purpose of providing temporary lodging, for compensation, for periods of thirty (30) consecutive days or less, whereby no host lives on site throughout the guest’s stay.

5.110.040 HOME-SHARING LICENSE APPLICATION

Home-sharing License. Any person wishing to engage in home-sharing shall first obtain a home-sharing license from the City, pursuant to the provisions of this Section, regardless of the number of dwelling units on a lot. Each dwelling unit on a property that contains more than one dwelling unit must file a separate home-sharing license application.

- A. Application. Any person wishing to engage in home-sharing shall file an application with the Community Development Department – Licensing Division on a form provided by the City of Glendale. An application fee, as established by resolution of the City Council, shall be paid. Any change in owner(s) or host(s) requires a new application.
- B. Application Requirements. The following items must be submitted concurrently with the application for a home-sharing license:
1. Each host shall complete a Transient Occupancy Registration Certificate.
 2. Each host shall provide proof of residency to the satisfaction of the Community Development Director.
 3. The host(s) shall designate a local responsible contact person or a property management company that will be available 24 hours per day to respond to any emergencies, complaints, or violations of this Chapter.
 4. The host(s) shall sign an affidavit that the host has been provided with and agrees to abide by all regulations applicable to home-sharing.
 5. If a dwelling is located within a common interest development subject to the rules/covenants, conditions and restrictions of a homeowners’ association, the host(s) shall provide written documentation to the City that the homeowners’ association approves of the home-sharing. Any home-sharing license issued by the City shall not be inferred to grant any permission that invalidates or supersedes provisions contained in any rules/covenants, conditions and restrictions of a homeowners’ association, whether those provisions existed at the time the license was issued or adopted subsequently.

6. The owner of the subject real property and host(s), if different, shall sign an indemnification and hold harmless agreement in a form approved by the City Attorney, agreeing to indemnify, save, protect, hold harmless, and defend the City of Glendale, the City Council of the City of Glendale, individually and collectively, and the City of Glendale representatives, officers, officials, employees, agents, and volunteers from any and all claims, demands, damages, fines, obligations, suits, judgments, penalties, causes of action, losses, liabilities, or costs at any time received, incurred, or accrued as a result of, or arising out of owners' or hosts' actions or inactions in the operation, occupancy, use, and/or maintenance of the property.
- C. Expiration. A home-sharing license is valid for one (1) year from the date of issuance. It may not be transferred, does not run with the land, and is valid only at the subject real property. The home-sharing license expires automatically with any change in host or property ownership. Upon expiration of a home-sharing license, a new application shall be filed.
 - D. Denial, nonrenewal, suspension, restriction or revocation. The Community Development Director or his or her designee may consider any one (1) or more of the following criteria, factors, or circumstances in denying an application for a home-sharing license, or in declining to renew, suspending, revoking, restricting, or imposing new or additional conditions on a home-sharing license:
 1. An application contains false, misleading, or fraudulent information, or is incomplete, or omits required information or a required document.
 2. An applicant or a license holder violates, or does not comply with, one (1) or more of the following:
 - a. One or more conditions of a home-sharing license issued under this Chapter;
 - b. Provisions or conditions of Titles 8 and 30 of this Code;
 - c. Provisions of this Chapter; or
 - d. Applicable (city, county, state, or federal) laws, rules, or regulations.
 3. An applicant or a license holder is a corporation, partnership, limited partnership, limited liability company, or another business entity that cannot lawfully transact business in California, or is not lawfully licensed or registered to do business in California; or has one (1) or more officers or directors, partners or limited partners, or members or managers who are ineligible to receive a license for any reason that makes an individual applicant ineligible to operate home-sharing under this Chapter.
 4. An applicant or a license holder procures a license under this chapter by fraud, misrepresentation, deception, or mistake.

5. An applicant or a license holder transfers or assigns, or attempts to transfer or assign, a license issued under this Chapter.
 6. A host(s) receives one or more violations.
 7. The home-sharing use creates or constitutes a public nuisance, or is injurious to the public's health, safety, welfare, or peace.
- E. Notice, hearing and appeal. When the Community Development Director or his or her designee concludes that one (1) or more grounds exist for denying, not renewing, suspending, restricting, revoking, or imposing new or additional conditions on a home-sharing license, he or she shall:
1. Notify the applicant or the license holder in writing of his or her intent to deny, not renew, suspend, restrict, revoke, or impose new or additional conditions on the home-sharing license, via mail to the most current address provided by the applicant or the license holder, by certified mail, postage prepaid, or by personal delivery.
 2. State in the notice to the license holder:
 - a. The notice's issuance date;
 - b. The reason or reasons for the proposed action;
 - c. The date on which the proposed action will go into effect and will become a final action unless appealed;
 - d. The license holder's right, within ten (10) days after the notice's issuance date, to request an appeal hearing before the Community Development Director or a person whom the Community Development Director designates.
 3. Appeal procedure. An applicant or a license holder may appeal any proposed action on the license under this Section by requesting a hearing, in writing, within ten (10) days after the issuance date listed in the city's written notice to the applicant or the license holder of the proposed action on the license and pay an appeal fee as established by resolution of the City Council. Within fifteen (15) days after the hearing date, the Community Development Director or his or her designee shall render a written decision whether to uphold and impose the proposed denial, non-renewal, suspension, restriction, revocation, or imposition of new or additional conditions on the home-sharing license. The Community Development Director or his or her designee shall give the applicant or the license holder written notice of the final decision by certified mail, postage prepaid, or by personal delivery.
 4. In addition to any action available under this Section, the Community Development Director or his or her designee, at any time and without advance notice or a hearing, may suspend a license issued under this Chapter for a period not exceeding thirty (30) days, when necessary or appropriate to

immediately protect the public's health, safety, welfare, or peace. Community Development shall give the license holder written notice of the suspension under this subsection by certified mail, postage prepaid, or by personal delivery.

5. An applicant or a license holder aggrieved by any action under this Section may obtain judicial review of that action, decision or order by filing a petition for review with the Los Angeles County Superior Court in accordance with the timelines and provisions set forth in California Code of Civil Procedure Section 1094.6.

5.110.050 Home-sharing Operating Prohibitions and Regulations

- A. Home-sharing shall not adversely generate noise, vibration, glare, odors, or other effects that unreasonably interfere with any person's reasonable enjoyment of his or her dwelling.
- B. Home-sharing shall be subject to the prohibitions against large or loud parties, as defined in Section 9.22.030 of the Glendale Municipal Code. All provisions, including fines and enforcement contained in Section 9.22, shall apply to home-sharing.
- C. No person engaged in home-sharing shall advertise, undertake, maintain, authorize, book, or facilitate any renting to guests in a manner that does not comply with this Chapter.
- D. No person engaged in home-sharing shall advertise any home-sharing without a license number depicted in a visible location on the advertisement, including any listing on a hosting platform.
- E. No person engaged in home-sharing shall allow, permit, or carry on commercial events, commercial parties, or commercial group gatherings, including, but not limited to, weddings, banquets, and corporate events. The dwelling shall not be used for home-sharing for the purpose of accommodating such activities.
- F. No person engaged in home-sharing shall post signs on the exterior of the dwelling advertising the presence of home-sharing.
- G. No person engaged in home-sharing shall offer, allow, permit, or carry on in home-sharing on any part of the property not approved for residential use, including but not limited to, a vehicle or recreational vehicle parked on the property, a storage shed, a camper, a trailer, a garage, or any temporary structure such as a tent.
- H. All persons engaged in home-sharing shall jointly and severally be responsible for any nuisance violations arising at the dwelling.
- I. The property owner or host engaged in home-sharing shall keep and preserve, for a period of three years, all records as may be necessary to determine the amount of such tax as he/she may have been liable for the collection of and payment to the

City, including the number and length of each home-sharing stay, and the price paid for each stay. The Finance Department shall have the right to inspect these records at all reasonable times.

- J. The property owner and host engaged in home-sharing shall comply with all of the requirements contained in Chapter 4.32 (Transient Occupancy Tax) and any successor sections.
- K. Any dwelling used for home-sharing shall contain functional smoke detectors, carbon monoxide detectors, fire extinguishers and information related to emergency exit routes, and emergency contact information.
- L. All persons engaged in home-sharing shall provide to the guests a code of conduct.

5.110.060 Enforcement

- A. Enforcement of this Chapter shall be subject to the processes and procedures in Chapter 1.20 of the Glendale Municipal Code.
- B. Any person who fails to comply with any provision of this Chapter shall be deemed guilty of a violation of the Glendale Municipal Code, which may be punishable as outlined in Chapter 1.20 of the Glendale Municipal Code, and may be subject to any other penalty or enforcement mechanism available to the City.
- C. Any person convicted of violating any provision of this Chapter in a criminal case or found to be in violation of this Chapter in a civil case brought by the City Attorney shall be ordered to reimburse the City and other participating law enforcement agencies their full investigative costs, pay all back Transient Occupancy Taxes, and remit all illegally obtained rental revenue to the City.
- D. Any person who violates any provision of this Chapter shall be subject to administrative fines and administrative penalties pursuant to Chapter 1.24.
- E. The remedies provided in this Section are not exclusive, and nothing in this Section shall preclude the use or application of any other remedies, penalties, or procedures established by law.

SECTION 5. Severability. This Ordinance's provisions are severable. If any portion of this Ordinance or its application to any person or circumstance is held invalid or unconstitutional, that decision does not affect the validity of the Ordinance's remaining portions and the Ordinance's application to other persons and circumstances. The City Council declares that it would have passed the remainder of this Ordinance without the invalid or unconstitutional provision.

SECTION 6. CEQA Determination. The adoption of these ordinances: (1) are exempt from further environmental review under the California Environmental Quality Act


("CEQA") pursuant to Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15305 (minor alterations to land use limitations), Class 5 Exemption, as the ordinances prohibit vacation rentals and allow home-sharing residential uses in existing residential units as accessory uses with negligible expansion, if any, of the uses, but the ordinances do not allow for or encourage any development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment; (2) are exempt from further environmental review under CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because the ordinance will allow home-sharing as an accessory use of existing residential uses, but the ordinances do not allow for or encourage any more development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment, and therefore, it can be seen with certainty that there is no possibility that the ordinances will have a significant effect on the environment; and (3) is not a project under CEQA Guidelines Section 15060(c)(3) and 15378(b)(4) because, in part, it constitutes a governmental fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Each of the foregoing provides a separate and independent basis for CEQA compliance and, when viewed collectively, provides an overall basis for CEQA compliance.

SECTION 7. Effective Date. This ordinance becomes effective on the thirtieth (30th) day after its passage.

Passed by the Council of the City of Glendale on the 10th day of December, 2019.



Mayor

ATTEST: *For Ardy:*


City Clerk

STATE OF CALIFORNIA) SS.
COUNTY OF LOS ANGELES)
CITY OF GLENDALE)

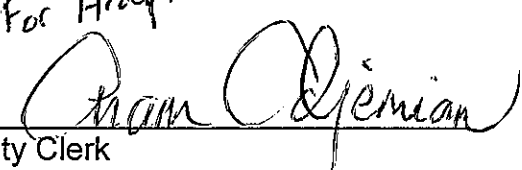
I, Ardashes Kassakhian, City Clerk of the City of Glendale, certify that the foregoing Ordinance No. 5941 was passed by a majority vote of the Council of the City of Glendale, California, at a regular meeting held on the 10th day of December, 2019, and that the same was passed by the following vote:

Ayes: Agajanian, Gharpetian, Najarian

Noes: Devine, Quintero

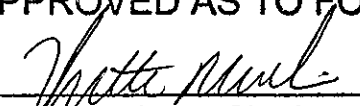
Absent: None

Abstain: None

For Ardy:


City Clerk

APPROVED AS TO FORM



Senior Assistant City Attorney

DATE 12/5/19

**AN ORDINANCE OF THE CITY OF GLENDALE, CALIFORNIA AMENDING
SECTIONS 30.10.070, 30.11.020, 30.12.020, 30.13.020, 30.14.020, 30.15.020,
30.60.030, 30.70.090, AND 30.70.230 OF TITLE 30 OF THE GLENDALE MUNICIPAL
CODE, 1995, RELATING TO REGULATION OF HOME-SHARING AND
PROHIBITION OF VACATION RENTALS
(CASE NO. PZC 1911458)**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE:

SECTION 1. Section 30.10.070 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

30.10.070 – Zoning Districts – Regulations

A. Permitted Primary Uses and Structures.

The purpose of the sectional listing of permitted primary uses and structures contained within each zone regulations is to identify all principal uses and structures that are allowable on a lot within that zone as a matter of right. Subject to the provisions of the zone, except as otherwise provided, no building, structure or land shall be used and no building, structure or use shall be established except the listed permitted primary uses and structures.

B. Permitted Accessory Uses and Structures.

The purpose of the sectional listing of permitted accessory uses and structures contained within each zone regulations is to identify uses and structures that are allowable when they are integrated with and clearly incidental to a primary use on the same lot. All buildings and structures shall conform to the development standards of the zone.

C. Temporary Uses and Structures.

The purpose of the sectional listing of temporary uses and structures is to identify those uses that may be allowable within a given zone for a limited amount of time and under certain specified conditions.

D. Conditional Uses and Structures.

The purpose of the sectional listing of conditional uses and structures is to identify those uses and structures which must first obtain permission for their establishment within the zone by a conditional use permit. The specific conditional uses and structures which are listed are considered to be typical of uses which require

individual review as to their particular characteristics and location, and ones that may require special conditions to their establishment in order to protect the health, safety and general welfare.

E. Compliance with Laws.

Notwithstanding any provision in this code to the contrary, any establishment that engages in or carries out any activity contrary to federal, state or local laws shall be prohibited.

F. Development Standards-General.

The development standards contained within this title and the various zones have been established in order to assure adequate levels of light, air and density of development, to maintain and enhance locally-recognized values of community appearance and to promote the safe and efficient circulation of pedestrian and vehicular traffic. The standards are in furtherance of the goals and objectives of the comprehensive general plan and are found to be necessary for the preservation of the community, health, safety and general welfare.

G. Site Requirements-General.

The area and dimensions of all building sites shall be sufficient to accommodate the anticipated density of development, open spaces, setbacks and parking spaces.

H. Density.

The density of development has been established for each zone in accordance with the comprehensive general plan in order to promote the orderly, efficient and most appropriate growth within the city, consistent with the planned capability of services and infrastructures. Density shall be calculated from the area of the lot before any public right-of-way dedications are made. An accessory dwelling unit on a lot developed with one dwelling unit is deemed a residential use consistent with the existing general plan and zoning designation for the lot, as provided for in the Government Code of the State of California, Section 65852.2.

I. Lot Size.

Where minimum lot sizes or dimensions required within the zone standards, they have been established in order to promote the type and scale of development envisioned in the comprehensive general plan. Where existing lots with lesser size and dimensions are existing in a zone, an exception has been made in some zones for such lots when their development would not be harmful to the achievement of the overall goals and objectives of the plan.

J. Coverage.

Maximum coverage requirements contained within certain zone standards have been established to provide minimum open spaces for light, air and ventilation and to reserve adequate area for open spaces, setbacks and other amenities. Coverage shall be calculated from the area of the lot after any public right-of-way dedications are made.

K. Height.

Height standards are reflective of intensity and scale of development. In order to maintain a sound plan and compatibility with surrounding uses, the structural height of buildings must be regulated and intensities directed to their most appropriate location. Factors taken into consideration in the establishment of height criteria are shade/shadow effects; light, air and ventilation; scenic vistas; and intensity of development and ability to serve.

L. Unit Size.

Minimum unit sizes as may be established in the various zones are for the purpose of assuring acceptable living areas, the control of overcrowding and the provision of conditions conducive to a decent, safe and sanitary environment.

M. Setbacks, Open Space and Landscaping Requirements.

The purpose of setbacks, open space and landscaping requirements is to assure that an effective separation is provided between properties and uses to foster compatibility, identity, privacy, light, air and ventilation and provide for landscaped areas in the living and working environments for visual relief and recreation. Setbacks and required landscaping shall be calculated from the property lines or area of the lot after any public right-of-way dedications are made.

N. Medical Marijuana Dispensary, marijuana dispensary, marijuana cultivation, marijuana processing, and delivery or distribution of marijuana or medical cannabis products as prohibited uses.

Notwithstanding any other provision of this code, a medical marijuana dispensary, marijuana dispensary, marijuana cultivation, marijuana processing, and delivery or distribution of marijuana or medical cannabis products, as these terms are defined in section 9.10.010, are prohibited in all zones, including all specific plan areas, except where the city is preempted by federal or state law from enacting a prohibition of any such prohibited uses, or is preempted by federal or state law from enforcing any of these prohibitions.

O. Home-Sharing Activities and Vacation Rentals

Home-sharing, as defined in Section 5.110.030, is permitted subject to the restrictions in Chapter 5.110. Vacation rentals, as defined in Section 5.110.030, are prohibited in all zones.

SECTION 2. Section 30.11.020 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

30.11.020 – Residential District Land Uses and Permit Requirements

A. Permitted Primary Uses and Structures. No building, structure or land shall be used and no building, structure or use in the residential zoning districts shall be erected, structurally altered, enlarged or established except the following permitted uses, buildings and structures identified with a “P” in Table 30.11 – A.

B. Conditional Uses and Structures. The following uses and structures identified with a “C” in Table 30.11 – A may be permitted in the residential zoning districts subject to approval of a conditional use permit (Section 30.42). The development standards of this zone shall apply except as otherwise provided herein.

C. Temporary Uses. Temporary uses (identified with a “T” in Table 30.11 – A), allowed subject to approval and compliance with all applicable provisions of this Zoning Code.

D. Permitted Accessory Uses and Structures. Accessory uses, buildings and structures shall be permitted in zones identified with a “P” in Table 30.11 – A.

E. Wireless Telecommunications Facilities. Wireless telecommunications facilities, identified with a “W” in Table 30.11-A may be permitted subject to the approval of a wireless telecommunications facility permit as set forth in Chapter 30.48 of this Code.

F. Standards for Specific Uses. Where the last column in the following tables (“See standards in Section”) includes a section number, the regulations in the referenced section apply to the use; however, provisions in other sections of this Zoning Code may apply as well.

G. Historic Resources. Uses listed as permitted or conditionally permitted within a historic resource included on the Glendale Historic Register only (identified in Table 30.11 – A) are permitted or conditionally permitted only within a designated historic resource on the Glendale Register of Historic Resources.

**Table 30.11 – A
RESIDENTIAL DISTRICTS AND PERMIT REQUIREMENTS**

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE							See Standards in Section
	ROS	R1R	R1	R3050	R2250	R1650	R1250	
Residential Uses								
Domestic Violence Shelter	P	P	P	P	P	P	P	
Multiple residential dwellings				P	P	P	P	30.11.050
One (1) residential dwelling per lot	P	P	P	P	P	P	P	
Residential congregate living, Limited	P	P	P	P	P	P	P	
Residential congregate living, Medical					C	C	C	
Residential congregate living, Non-medical				C	C	C	C	
Senior housing				P	P	P	P	

Education, Public Assembly, Recreation

Community gardens	P	P	P	P	P	P	P	30.34.045
Day care center, only where operated at a church, synagogue, temple, or other house of worship, religiously affiliated or nonsectarian preschool. In determining whether to grant or deny a conditional use permit for a day care center hereunder, the content of any curriculum and every aspect of an organization's operations which are religious in nature shall not be considered				C	C	C	C	
Parks and playgrounds, operated by a homeowners' association and approved in connection with a subdivision	P	P	P	P	P	P	P	
Parks and playgrounds, private	C	C	C	C	C	C	C	
Parks and playgrounds, public	P	P	P	P	P	P	P	
Places of worship	C	C	C	C	C	C	C	
Schools, private					C	C	C	

Key to Permit Requirements

	Symbol	See Chapter
Permitted use	P	
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

- Notes: (1) See 30.03.010 regarding uses not listed
(2) See 30.70 for definitions of the land uses

Table continues on next page.

RESIDENTIAL DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE							
	ROS	R1R	R1	R3050	R2250	R1650	R1250	See Standards in Section
Open Space and Resources								
Open Space	P	P	P					

Transportation & Communication Uses								
Utility and transmission facilities	C	C	C	C	C	C	C	
Wireless telecommunication facilities	W	W	W	W	W	W	W	Chapter 30.48

Accessory Buildings, Structures and Uses								
Accessory dwelling unit (ADU) on a lot developed with one residential dwelling unit	P	P	P	P	P	P	P	30.34.080
Accessory living quarters or guest house not to exceed an aggregate area of five hundred (500) square feet of floor area	P	P	P	P	P	P	P	
Accessory buildings or structures, other than garages or carports, not to exceed five hundred (500) square feet of floor area	P	P	P	P	P	P	P	
Accessory uses	P	P	P	P	P	P	P	
Antennas (pole type)	P	P	P	P	P	P	P	
Dish antennas	P	P	P	P	P	P	P	30.34.050
Home occupations	P	P	P	P	P	P	P	30.45
Home-sharing	P	P	P	P	P	P	P	5.110
Signs	P	P	P	P	P	P	P	30.33
Solar energy equipment	P	P	P	P	P	P	P	30.30.050

Temporary Uses								
Contractor's office and/or storage, temporary	T	T	T	T	T	T	T	
Temporary subdivision sales offices, sales trailers and model dwellings or trailers proposed for use as temporary sales offices shall be registered with the Director of Community Development by an application for conditions of use. The Director of Community Development may establish conditions for operations and maintenance including but not limited to restrictions on hours of operation, lighting and promotional restrictions and reasonable termination of the temporary use. The decision of the Director of Community Development shall be appealable.	T	T	T	T	T	T	T	

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Wireless Telecommunications Facilities Permit Required	W	30.48
Use not allowed		

- Notes:
- (1) See 30.03.010 regarding uses not listed
 - (2) See 30.70 for definitions of the land uses

RESIDENTIAL DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE							See Standards in Section
Uses within a Historic Resource	ROS	R1R	R1	R3050	R2250	R1650	R1250	
Cultural Art Centers	C	C	C	C	C	C	C	
Day care centers	C	C	C	C	C	C	C	
Museum	C	C	C	C	C	C	C	
Office	C	C	C	C	C	C	C	
Residential congregate living, Non-medical					C	C	C	
Restaurants, full service not to exceed a seating capacity of forty (40) persons				C	C	C	C	
Retail stores, general merchandise	C	C	C	C	C	C	C	
Schools, physical instruction	C	C	C	C	C	C	C	
Schools, private specialized education and training	C	C	C	C	C	C	C	

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Wireless Telecommunications Facilities Permit Required	W	30.48
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses

SECTION 3. Section 30.12.020 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

30.12.020 – Commercial District Land Uses and Requirements

A. Permitted primary uses and structures. No building, structure or land shall be used and no building, structure or use in the commercial zoning districts shall be erected, structurally altered, enlarged or established except the following permitted uses, buildings and structures identified with a "P" in Table 30.12 – A.

B. Conditional uses and structures. The following uses and structures identified with a "C" in Table 30.12 – A may be permitted in the commercial zoning districts subject to approval of a conditional use permit (Section 30.42). The development standards of this zone shall apply except as otherwise provided herein.

C. Administrative uses and structures. The following uses and structures identified with an "A" in Table 30.12 – A may be permitted in the commercial zoning districts subject to approval of an administrative use permit (Section 30.49). The development standards of this zone shall apply except as otherwise provided herein.

D. Temporary uses. Temporary uses (identified with a "T" in Table 30.12 – A), allowed subject to approval and compliance with all applicable provisions of this Zoning Code.

E. Permitted accessory uses and structures. Accessory uses, buildings and structures shall be permitted in zones identified with a "P" in Table 30.12 – A.

F. Wireless Telecommunications Facilities. Wireless telecommunications facilities, identified with a "W" in Table 30.12-A may be permitted subject to the approval of a wireless telecommunications facility permit as set forth in Chapter 30.48 of this Code.

G. Standards for specific uses. Where the last column in the following tables ("See standards in Chapter or Section") includes a Chapter or Section number, the regulations in the referenced chapter or section apply to the use; however, provisions in other sections of this Zoning Code may apply as well.

H. Uses not listed. Land uses that are not listed on Table 30.12 – A, or are not shown in a particular zoning district are not allowed, except for other uses which the Director of Community Development determines to be similar in nature, function and operation to listed permitted primary uses within these zones.

**Table 30.12 – A
COMMERCIAL DISTRICTS AND PERMIT REQUIREMENTS**

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE							See Standards in Chapter or Section
	C1	C2	C3	CR	CPD	CH	CA	
Accessory Structures and Uses								
Accessory dwelling unit (ADU), on a lot developed with one residential dwelling unit	P	P	P	P	P	P	P	30.34.080
Accessory uses	P	P	P	P	P	P	P	
Antennas (pole type) and flagpoles	P	P	P	P	P	P	P	
Carts (freestanding, non-motorized, portable type)	P	P	P	P		P	P	30.34.040
Dish antennas	P	P	P	P	P	P	P	30.34.050
Home occupations	P	P	P	P		P		30.45
Home-sharing	P	P	P	P	P	P	P	5.110
Reverse Vending Machines	P	P	P	P		P	P	30.12.040
Signs	P	P	P	P	P	P	P	30.33
Solar energy equipment	P	P	P	P	P	P	P	30.30.050
Institutional Uses								
Cultural arts centers			P	P		P		
Hospitals			P			P		
Museums		P		P			P	
Places of worship	P	P	P	C		P		
Schools, physical instruction	P	P	P	P		P		
Schools, private	C	C	C	C		C		
Schools, private specialized education and training	A	P	P	C		P		
Light Industrial Uses								
Backlots/outdoor facilities – production			C			C		
Broadcasting studios and indoor support facilities – production		P	P	P(3)		P		
Medical and dental laboratories		P	P	P(3)		P		
Soundstages – production			P			P		
Utility and transmission facilities	C	C	C	C	C	C	C	
Miscellaneous Uses								
Non-emergency heliports			C			C		
Parking lots or structures	P	P	P	P	P	P	P	30.32 30.51.020
Key to Permit Requirements						Symbol	See Chapter	
Permitted use						P		
Administrative use – Administrative Use Permit required.						A		30.49
Conditional use – Conditional Use Permit required.						C		30.42
Temporary Use						T		
Use not allowed								

- Notes:
- (1) See 30.03.010 regarding uses not listed
 - (2) See 30.70 for definitions of the land uses
 - (3) Permitted above the first floor level only

COMMERCIAL DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE							
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	C1	C2	C3	CR	CPD	CH	CA	See Standards in Chapter or Section
Office Uses								
Contractors office and/or storage, temporary	T	T	T	T	T	T	T	
Contractors office	P	P	P	P	P	P		
Medical and dental offices	P	P	P	P(3)	P	P	P	
Office	P	P	P	P(3)	P	P	P	
Office, consumer services			P			P	P	
Veterinary offices, including hospitalization services	P	P	P	P		P		

Recreational Uses								
Arcade establishment			C			C	C	
Billiard establishments		P	P			P	P	
Children's indoor play areas		P	P	P		P		
Community gardens	P	P	P	P	P	P		30.34.045
Cyber-Café establishments			P			P	A	
Gyms and health clubs		P	P	C		P	P	
Indoor recreation center	P	P	P	P		P		
Outdoor commercial recreation			C			C		
Private clubs and lodges	C	C	P	C		P		
Public dances	P	P	P	P		P	P	
Taverns	C	C	C	C		C	C	
Theaters		C	P	C		P		

Residential Uses								
Domestic violence shelters	P	P	P	P	P	P		
Emergency shelter		C	C			C		
Residential congregate living, Limited subject to the provisions of one residential dwelling per lot in the R-1250 zone	P	P	P	P	P	P		
Residential congregate living, Medical	A	P	P			P		
Residential congregate living, Non-medical subject to the provisions of the R-1250 Zone and provided further that ground floor level is occupied with permitted commercial uses	P	P	P			P		
Residential congregate living, Non-medical at the ground floor level subject to the provisions of the R-1250 zone.	A	A	A			A		
Multiple residential dwellings subject to the provisions of the R-1250 Zone and provided further that the ground floor level is occupied with permitted commercial uses	P	P	P	P		P		

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Administrative use -- Administrative Use Permit required.	A	30.49
Conditional use -- Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

- Notes:
- (1) See 30.03.010 regarding uses not listed
 - (2) See 30.70 for definitions of the land uses
 - (3) Permitted above the first floor level only

COMMERCIAL DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE							
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	C1	C2	C3	CR	CPD	CH	CA	See Standards in Chapter or Section
Residential Uses cont.								
Multiple residential dwellings with dwelling units at the ground floor level subject to provisions of the R-1250 zone	C	C	C			C		
One (1) residential dwelling per lot subject to the provisions of the R-1250 zone	P	P	P	P	P	P		
Senior housing subject to the provisions of the R-1250 zone and provided further that the ground floor level is occupied with permitted commercial uses	P	P	P	P		P		
Senior housing at the ground floor level subject to the provision of the R-1250 zone.	C	C	C	C		C		

Retail Uses

Alcoholic beverage sales	A(3)	A(3)	A(3)	A(3)		A(3)	A(3)	
Automobile supply store		P	P	P		P	P	
Banquet halls		C	C	C		C		
Christmas tree sales lots, when maintained between November 1 st and January 9 th	T	T	T	T		T		5.44
Firearms, weapon sales		P	P	P		P		
Hardware stores	P	P	P	P		P	P	
Jewelry stores	P	P	P	P		P	P	
Liquor stores	A	A	A	A		A	A	
Nurseries and garden supplies	P	P	P	P		P		
Paint and wallpaper stores	P	P	P	P		P	P	
Pawnshops			P			P		
Pharmacy	P	P	P	P		P	P	
Pumpkin sales lots, when maintained between October 15 th and November 1 st	T	T	T	T		T		5.44
Restaurant, counter service with limited seating	P	P	P	P		P	P	
Restaurants, fast food	A	P	P	A		P	P	
Restaurants, full service	P	P	P	P		P	P	
Retail stores, general merchandise	P	P	P	P		P	P	
Spas and swimming pools, sales and service	P	P	P	P		P		
Supermarkets	P	P	P	P		P	P	
Vehicle sales, leasing and rental agencies			P			P	P	30.34.160

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Administrative use – Administrative Use Permit required.	A	30.49
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

- Notes:
- (1) See 30.03.010 regarding uses not listed
 - (2) See 30.70 for definitions of the land uses
 - (3) AUP not required for supermarkets with 20,000 square feet of floor area or greater

COMMERCIAL DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE							See Standards in Chapter or Section
Service Uses	C1	C2	C3	CR	CPD	CH	CA	
Ambulance services	P	P	P	P		P	P	
Banks and financial institutions	P	P	P	P		P	P	
Business support services	P	P	P	P(3)		P	P	
Car washes, full or self service		P	P			P	P	30.34.030
Day care centers	P	P	P	P	P	P	P	
Gas station	C	P	P	C		P	P	
Heating and air conditioning sales and service (HVAC)			P			P		30.34.070
Hotels and motels		P	P	P(3)		P		
Massage establishment	C	C	C	C		C	C	5.64
Mortuaries and funeral homes			P			P		
Personal Services	P	P	P	P		P	P	
Pet grooming	P	P	P	P		P		
Repair and maintenance, consumer products	P	P	P	P		P	P	
Tire stores			P			P	P	30.34.140
Vehicle repair garage			P			P	P	30.34.150
Wireless telecommunications facilities	W	W	W	W	W	W	W	30.48

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Administrative use – Administrative Use Permit required.	A	30.49
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Wireless Telecommunications Facilities Permit Required	W	30.48
Use not allowed		

- Notes:
- (1) See 30.03.010 regarding uses not listed
 - (2) See 30.70 for definitions of the land uses
 - (3) Permitted above the first floor level only

SECTION 4. Section 30.13.020 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

30.13.020 – Industrial District Land Uses and Permit Requirements

A. Permitted Primary Use and Structures. No building, structure or land shall be used and no building, structure or use in the industrial zoning districts shall be erected, structurally altered, enlarged or established except the following permitted uses, buildings and structures identified with a “P” in Table 30.13 – A.

B. Conditional Uses and Structures. The following uses and structures identified with a “C” in Table 30.13 – A may be permitted in the industrial zoning districts subject to approval of a conditional use permit (Section 30.42). The development standards of this zone shall apply except as otherwise provided herein.

C. Administrative uses and structures. The following uses and structures identified with an “A” in Table 30.13 – A may be permitted in the commercial zoning districts subject to approval of a administrative use permit (Section 30.49). The development standards of this zone shall apply except as otherwise provided herein.

D. Temporary Uses. Temporary uses (identified with a “T” in Table 30.13 – A), allowed subject to approval and compliance with all applicable provisions of this Zoning Code.

E. Permitted Accessory Uses and Structures. Accessory uses, buildings and structures shall be permitted in zones identified with a “P” in Table 30.13 – A.

F. Wireless Telecommunications Facilities. Wireless telecommunications facilities, identified with a “W” in Table 30.13-A may be permitted subject to the approval of a wireless telecommunications facility permit as set forth in Chapter 30.48 of this Code.

G. Standards for Specific Uses. Where the last column in the following tables (“See standards in Section”) includes a section number, the regulations in the referenced section apply to the use; however, provisions in other sections of this Zoning Code may apply as well.

H. Uses not Listed. Land uses that are not listed on Table 30.13 – A, or are not shown in a particular zoning district are not allowed, except where other uses which the Director of Community Development determines to be similar in nature, function and operation to listed permitted primary uses within these zones.

**Table 30.13 – A
INDUSTRIAL ZONING DISTRICTS AND PERMIT REQUIREMENTS**

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE		
			See Standards in Section
Accessory Structures and Uses	IND	T	
Accessory uses	P		
Antennas (pole type) and flagpoles	P		
Carts (freestanding, non-motorized, portable type)	P		30.34.040
Dish antennas	P		30.34.050
Home occupations	P		30.45
Home-sharing	P		5.110
Outdoor storage, incidental	P		
Reverse Vending Machines	P		30.13.040
Signs	P		30.33
Solar energy equipment	P		30.30.050
Industrial Mixed Use/Large Scale Projects			
Industrial Mixed Use/Large-Scale Project, including all primary, accessory and temporary uses and structures and all uses and structures conditionally permitted in the C3 zone. Uses specified in the C3 zone shall be subject to specific development standards as required in the C3 zone.	P		
Education, Public Assembly, Recreation			
Nightclubs	C		
Schools, physical instruction	A		
Schools, private	C		
Schools, private specialized education and training	A		
Taverns	C		
Manufacturing and Processing			
Backlots/outdoor facilities – production	P		
Broadcasting studios and indoor support facilities – production	P		
Heavy Manufacturing	P		
Light Manufacturing	P		
Printing, publishing, and lithographic services	P		
Recycling	C		
Research and development	P		
Soundstage – production	P		
Warehousing	P		
Wholesaling, including wholesaling of alcoholic beverages	P		
Key to Permit Requirements		Symbol	See Chapter
Permitted use		P	
Administrative use – Administrative Use Permit required.		A	30.49
Conditional use – Conditional Use Permit required.		C	30.42
Temporary Use		T	
Use not allowed			

- Notes: (1) See 30.03.010 regarding uses not listed
(2) See 30.70 for definitions of the land uses

INDUSTRIAL ZONING DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE		
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Residential and Institutional Uses	IND	T	See Standards in Section
Conversion of a live/work unit to entirely residential or entirely business use	C		
Domestic violence shelters	P		
Emergency shelters	P		
Live/Work	C		

Retail

Alcoholic beverage sales	A(3)		
Building materials, supplies, sales and service	P		
Christmas tree sales lots, when maintained between November 1st and January 9 th	T		5.44
Hardware stores	P		
Jewelry stores	P		
Nurseries and garden supply sales	P		
Paint and wallpaper stores	P		
Pharmacy	P		
Pumpkin sales lots, when maintained between October 15th and November 1st.	T		5.44
Spas and swimming pools, sales and service	P		
Vehicle sales, leasing and rental agencies	P		30.34.160

Service Uses

Ambulance services	P		
Body shops and painting booths	P		30.34.150
Business support services	P		
Car washes (full or self service)	P		30.34.030
Day care centers	A		
Equipment rental yards	P		
Gas stations	P		

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Administrative use – Administrative Use Permit required.	A	30.49
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses
- (3) AUP not required for supermarkets with 20,000 square feet of floor area or greater or for wholesaling

INDUSTRIAL ZONING DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE		
Service Uses cont.	IND	T	See Standards in Section
Heating and air conditioning sales and service (HVAC)	P		30.34.040
Kennel, animal boarding and daycare	P(3)		
Laundries and dry cleaning plants	P		
Medical and dental laboratories	P		
Moving services	P		
Repair and maintenance, consumer products	P		
Restaurant, counter service with limited seating	P		
Restaurants – fast food	P		
Restaurants – full service	P		
Storage, personal facilities	P		
Storage, outdoor facility	P		
Tire stores	P		30.34.140
Towing services and impound yards	P		30.34.145
Vehicle repair garages	P		30.34.150

Office Uses			
Contractor's office and/or storage, temporary	T		
Medical and dental offices	P		
Office	P		
Office, consumer services	P		
Veterinary offices, including hospitalization services	P		

Transportation and Communication Facilities			
Nonemergency heliports	C		
Parking lots or structures	P	P	30.32 30.51.020
Utility and transmission facilities	P	P	
Wireless telecommunications facilities	W	W	Chapter 30.48

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Wireless Telecommunications Facilities Permit Required	W	30.48
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses
- (3) Not to be located nearer than 200 feet to the R1, R1R, ROS, R-3050, R-2250, R-1650 and R-1250 zones if use includes outdoor facilities.

SECTION 5. Section 30.14.020 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

30.14.020 – Mixed Use District Land Uses and Permit Requirements

A. Permitted Primary Uses and Structures. No building, structure or land shall be used and no building, structure or use in the mixed use zoning districts shall be erected, structurally altered, enlarged or established except the following permitted uses, buildings and structures identified with a “P” in Table 30.14 – A.

B. Conditional Uses and Structures. The following uses and structures identified with a “C” in Table 30.14 – A may be permitted in the mixed use zoning districts subject to approval of a conditional use permit (Section 30.42). The development standards of this zone shall apply except as otherwise provided herein.

C. Administrative uses and structures. The following uses and structures identified with an “A” in Table 30.14 – A may be permitted in the commercial zoning districts subject to approval of an administrative use permit (Section 30.49). The development standards of this zone shall apply except as otherwise provided herein.

D. Temporary Uses. Temporary uses (identified with a “T” in Table 30.14 – A), allowed subject to approval and compliance with all applicable provisions of this Zoning Code.

E. Permitted Accessory Uses and Structures. Accessory uses, buildings and structures shall be permitted in zones identified with a “P” in Table 30.14 – A.

F. Wireless Telecommunications Facilities. Wireless telecommunications facilities, identified with a “W” in Table 30.14-A may be permitted subject to the approval of a wireless telecommunications facility permit as set forth in Chapter 30.48 of this Code.

G. Standards for Specific Uses. Where the last column in the following tables (“See standards in Section”) includes a section number, the regulations in the referenced section apply to the use; however, provisions in other sections of this Zoning Code may apply as well.

**Table 30.14 – A
MIXED USE ZONING DISTRICTS AND PERMIT REQUIREMENTS**

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE			
	IMU	IMU-R	SFMU	See Standards in Section
Accessory Buildings, Structures and Uses				
Accessory dwelling unit (ADU), on a lot developed with one residential dwelling unit	P	P	P	30.34.080
Accessory buildings and structures		P	P	
Accessory uses	P	P	P	
Antennas (pole type)	P	P	P	
Carts (freestanding, non-motorized, portable type)	P	P	P	30.34.040
Dish antennas	P	P	P	30.34.050
Home occupation		P	P	30.45
Home-sharing	P	P	P	5.110
Reverse vending machines	P	P	P	30.14.040
Signs	P	P	P	30.33
Solar energy equipment	P	P	P	30.30.050

Institutional Uses				
Places of worship	C	C	C	
Schools, physical instruction	P	P	P	
Schools, private	C	C	C	
Schools, private specialized education and training	P	P	P	

Recreation				
Community gardens	P	P	P	30.34.045
Gyms and health clubs	C	C	C	
Indoor recreation centers	C	C	C	
Nightclubs	C			
Outdoor commercial recreation	C	C	C	
Private clubs and lodges	C	C	C	
Public dances	P	P	P	
Taverns	C	C	C	
Theaters	C	C	C	

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

- Notes: (1) See 30.03.010 regarding uses not listed
(2) See 30.70 for definitions of the land uses

MIXED USE ZONING DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE			
Manufacturing and Processing	IMU	IMU-R	SFMU	See Standards in Section
Backlots/outdoor facilities – production	P	C	C	
Broadcasting studios and indoor support facilities – production	P	P	P	
Heavy manufacturing	P	P		
Laundries and dry cleaning plants	P	P(4)		
Light manufacturing	P	P	P(3)(4)	
Printing, publishing, and lithographic services	P	P(4)	P(3)(4)	
Research and development	P	P	P(4)	
Soundstages – production	P	P	C	
Warehousing	P	P	P(4)	
Wholesaling, including wholesaling of alcoholic beverages	P	P	P(4)	

Residential Uses

Domestic violence shelter	P	P	P	
Conversion of a live/work unit to entirely residential or entirely business use	C	C	C	
Emergency shelter	P			
Multiple residential dwelling units		A	P(5)	
Residential congregate living, Limited			P	
Residential congregate living, Medical		A	A	
Residential congregate living, Non-medical		A	A	
Senior housing		C	P(5)	

Key to Permit Requirements

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Administrative use – Administrative Use Permit required.	A	30.49
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses
- (3) If gross floor area of the building is 10,000 square feet or less and use is indoors; if greater than 10,000 square feet and/or use is outdoors, a conditional use permit is required.
- (4) Requires a conditional use permit when combined in a mixed-use development which includes residential.
- (5) When fronting San Fernando Road, Broadway, or Colorado Street, only allowed as mixed-use projects with commercial uses located along the street frontage as required in Section 30.34.100.

MIXED USE ZONING DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE			
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Mixed-use developments	IMU	IMU-R	SFMU	See Standards in Section
Live/work units	A	A	P(3)	
Live/work units with conditionally permitted uses	C	C	C(3)	
Mixed-use development provided that all uses are permitted in zone which the project is located			P(3)	
Mixed-use development where at least one use is conditionally permitted	C(5)	C	C	

Retail Trade Uses

Alcoholic beverage sales	A(6)	A(6)	A(6)	
Automobile supply stores	P	P		
Banquet halls	C	C		
Building materials, supplies, sales and service	P	P		
Christmas tree sales lots, when maintained between November 1st and January 9 th	T	T		5.44
Firearms, weapon sales	P	P		
Hardware stores	P	P		
Jewelry stores	P	P	P	
Liquor stores	A	A	A	
Nurseries and garden supplies	P	P	P	
Paint and wallpaper stores	P	P		
Pharmacy	P	P	P	
Pumpkin sales lots, when maintained between October 15th and November 1st.	T	T		5.44
Restaurant, counter service with limited seating	P	P	P	
Restaurants, fast food	P	P(4)	P(4)	
Restaurants, full service	P	P	P	
Retail stores, general merchandise	P	P	P	
Spas and swimming pools, sales and service	P	P		
Supermarkets	P	P	P	

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Administrative use – Administrative Use Permit required.	A	30.49
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses
- (3) For lots having frontage along San Fernando Road, Broadway, and Colorado Street, manufacturing and processing uses shall not be on the ground floor fronting these streets.
- (4) No drive-thru facilities permitted.
- (5) The only dwelling units permitted are live/work units.
- (6) Supermarkets only require an AUP for on-site consumption of alcoholic beverages. CUP not required for wholesaling.

MIXED USE ZONING DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE			
Retail Trade Uses cont.	IMU	IMU-R	SFMU	See Standards in Section
Vehicle sales, leasing and rental agencies, including new and used automobiles, motorcycles, light trucks, recreational vehicles and boats	P	P		30.34.160
Vehicle sales, leasing and rental agencies, including new and used automobiles, motorcycles, light trucks, recreational vehicles and boats existing prior to September 12, 2006, including a one-time expansion on the same lot of up to 20 percent of floor area.			P	30.34.160
Expansion of vehicle sales, leasing and rental agencies, including new and used automobiles, motorcycles, light trucks, recreational vehicles and boats existing prior to September 12, 2006, when proposed expansion is on the same lot as the existing facility and is greater than 20 percent of the floor area existing prior to September 12, 2006, or for any new facilities on separate or non-contiguous lots			C	30.34.160

Service Uses

Ambulance services	P	P		
Banks and financial institutions	P	P	P	
Body shops and painting booths	P	P(3)		30.34.150
Business support services	P	P	P	
Car washes (full or self service)	P	P		30.34.030
Day care centers	P	P	A	
Equipment rental yards	P	P		
Gas stations	P	P	C	30.34.020
Heating and air conditioning sales and service (HVAC)	P	P		30.34.070
Hotel and motels	C	C	C	
Kennel, animal boarding and daycare	P(4)	P(4)		
Massage establishment	C	C	C	5.64
Medical and dental laboratories	P	P	P	

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Administrative use – Administrative Use Permit required.	A	30.49
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses
- (3) Requires a conditional use permit when combined in a mixed-use development which includes residential.
- (4) Not to be located nearer than 200 feet to the R1, R1R, ROS, R-3050, R-2250, R16-50 and R-1250 zones if use includes outdoor facilities

MIXED USE ZONING DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE			
Service Uses cont.	IMU	IMU-R	SFMU	See Standards in Section
Mortuaries and funeral homes	A	A		
Moving and storage services	P	P		
Pawnshops	P	P	P	
Personal services	P	P	P	
Pet grooming	P	P		
Repair and maintenance, consumer products	P	P(3)	P(3)(4)(5)	
Storage, personal facility	P			
Storage, outdoor facility	P			
Tire stores	P	P		30.34.140
Towing services and impound yards	C	C		30.34.145
Vehicle repair garages	P	P(3)		30.34.150

Office Uses

Contractor's office and/or storage, temporary	T	T		
Medical and dental offices	P	P	P	
Offices	P	P	P	
Office, consumer services	P	P	C	
Veterinary offices, including hospitalization services	P	P		

Transportation and Communications Uses

Parking lot/structure facilities	P	P	C	30.32 30.51.020
Utility and transmission facilities	C	C	C	
Wireless telecommunications facilities	W	W	W	Chapter 30.48

Key to Permit Requirements

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Administrative use – Administrative Use Permit required.	A	30.49
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Wireless Telecommunications Facilities Permit Required	W	30.48
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses
- (3) Requires a conditional use permit when combined in a mixed-use development which includes residential.
- (4) If gross floor area of the building is 10,000 square feet or less and use is indoors; if greater than 10,000 square feet and/or use is outdoors, a conditional use permit is required.
- (5) For upholstery services it shall include furniture only, no vehicle.

SECTION 6. Section 30.15.020 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

30.15.020 – Special Purpose District Land Uses and Permit Requirements

A. Permitted Primary Uses and Structures. No building, structure or land shall be used and no building, structure or use in the special purpose zoning districts shall be erected, structurally altered, enlarged or established except the following permitted uses, buildings and structures identified with a “P” in Table 30.15 – A.

B. Conditional Uses and Structures. The following uses and structures identified with a “C” in Table 30.15 – A may be permitted in the special purpose zoning districts subject to approval of a conditional use permit (Section 30.42). The development standards of this zone shall apply except as otherwise provided herein.

C. Administrative uses and structures. The following uses and structures identified with an “A” in Table 30.15 – A may be permitted in the commercial zoning districts subject to approval of an administrative use permit (Section 30.49). The development standards of this zone shall apply except as otherwise provided herein.

D. Temporary Uses. Temporary uses (identified with a “T” in Table 30.15 – A), allowed subject to approval and compliance with all applicable provisions of this Zoning Code.

E. Permitted Accessory Uses and Structures. Accessory uses, buildings and structures shall be permitted in zones identified with a “P” in Table 30.15 – A.

F. Wireless Telecommunications Facilities. Wireless telecommunications facilities, identified with a “W” in Table 30.15-A may be permitted subject to the approval of a wireless telecommunications facility permit as set forth in Chapter 30.48 of this Code.

G. Standards for Specific Uses. Where the last column in the following tables (“See standards in Section”) includes a section number, the regulations in the referenced section apply to the use; however, provisions in other sections of this Zoning Code may apply as well.

H. Uses not Listed. In the CE and CEM zones only, land uses that are not listed on Table 30.15 – A, or are not shown in a particular zoning district are not allowed, except where other uses which the Director of Community Development determines to be similar in nature, function and operation to listed permitted primary uses within these zones.

**Table 30.15 – A
SPECIAL PURPOSE DISTRICTS AND PERMIT REQUIREMENTS**

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE				
Accessory Buildings, Structures and Uses	CE	CEM	MS	SR	See Standards in Section
Accessory dwelling unit (ADU), on a lot developed with one residential dwelling unit			P		30.34.080
Accessory Use	P	P	P	P	
Accessory living quarters or guest house not to exceed an aggregate area of five hundred (500) square feet of floor area			P		
Antennas (pole type) and flagpoles	P	P	P	P	
Auditoriums		P	P		
Caretaker's residences.	P	P	P	P	
Carts (free-standing non-motorized, portable type)			P	P	30.34.040
Dish antennas	P		P	P	30.32.050
Home Occupations			P		
Home-sharing			P		5.110
Manufacturing of containers for caskets, remains and flowers		P			
Mobile Medical Trailers, Temporary			T(5)		
Museums		P			
Nurseries and garden supplies		P			
Reverse Vending Machines			P		30.12.040
Signs	P	P	P	P	30.33
Solar energy equipment	P	P	P	P	30.30.050
Agriculture, Open Space, and Resources					
Apiaries				P	
Open space/conservation areas				P	
Education, Public Assembly, Recreation – General					
Amphitheaters				P	
Aquariums				P	
Arboretums and botanical gardens				P	
Auditoriums				P	
Aviaries				P	
Bandstands				P	
Community Gardens			P	P	
Golf courses, country clubs, driving ranges and related facilities				P	
Libraries				P	
Local fairs				P	
Museums				P	
Observatories				P	
Parks and Playgrounds, Private			P	P	
Places of Worship			P	P(4)	
Public dances				P	
Recreational camps				P	
Riding academies or stables				P(3)	
Stables, including boarding of horses, sale or exchange of horses and horse rentals.	P				
Swimming pools				P	

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses
- (3) Not to be located nearer than ½ mile to the R1, R1R, ROS, R-3050, R-2250, R16-50 and R-1250 zones on which there is no H overlay zone.
- (4) Places of Worship in the SR Zone must have been in existence as of September 26, 2006.
- (5) Temporary Mobile Medical Trailers must be used on a hospital site and are limited to a period of two (2) years.

SPECIAL PURPOSE ZONING DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE				
Education, Public Assembly, Recreation within a Public Park	CE	CEM	MS	SR	See Standards in Section
Amphitheatres				P	
Aquariums				P	
Arboretums and botanical gardens				P	
Auditoriums				P	
Aviaries				P	
Bandstands				P	
Community Center				P	
Community gardens				P	30.34.045
Convention centers				P	
Day Care				A	
Golf courses, country clubs, driving ranges and related facilities				P	
Gymnasiums				P	
Libraries				P	
Local fairs				P	
Museums				P	
Observatories				P	
Parks and playgrounds, public				P	
Public dances				P	
Recreational camps				P	
Riding academies or stables				P(3)	
Swimming pools				P	

Institutional Uses

Cultural Arts Centers			P		
Hospitals			P		
Museums			P		
Schools, Physical Instruction			C		
Schools, Private			C		
Schools, Private Specialized Education and Training			C		

Light Industrial uses

Broadcasting Studios and Indoor Support Facilities – Productions			P		
Medical and Dental Laboratories			P		

Key to Permit Requirements

Permit Requirements	Symbol	See Chapter
Permitted use	P	
Administrative use – Administrative Use Permit required.	A	30.49
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses
- (3) Not to be located nearer than ½ mile to the R1, R1R, ROS, R-3050, R-2250, R-1650 and R-1250 zones on which there is no H overlay zone.

SPECIAL PURPOSE ZONING DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE				
	CE	CEM	MS	SR	See Standards in Section
Miscellaneous Uses					
Non-Emergency Heliport			P		
Parking Lots			P		
Parking Structures, subject to PS overlay required setback standards			P		30.23 and 30.32.110
Office Uses					
Contractor's Office and/or storage, Temporary	T		T	T	
Contractor's Office			P		
Medical and Dental Offices			P		
Office			P		
Office, Consumer Services			P		
Recreational Uses					
Children Indoor Play Areas			P		
Cyber Café Establishments			P		
Gyms and Health Clubs			P		
Indoor Recreation Center			P		
Private Clubs and Lodges			P		
Residential Uses					
Domestic Violence Shelter			P		
Emergency Shelter			P		
Multiple Residential Dwelling Units subject to provisions of the R-2250 zone			P		
One (1) Residential Dwelling per Lot subject to provisions of the R-2250 zone			P		
Residential Congregate Care Living, Limited			P		
Residential Congregate Care Living, Medical			P		
Residential Congregate Care Living, Non-Medical			P		
Senior housing			P		
Retail Uses					
Alcoholic beverage sales			A	A	
Christmas tree sales lots, when maintained between November 1 st and January 9 th	T		T		5.44
Jewelry Stores			P		
Liquor Stores			C		
Pharmacy	P		P		
Key to Permit Requirements			Symbol	See Chapter	
Permitted use			P		
Administrative use – Administrative Use Permit required.			A	30.49	
Conditional use – Conditional Use Permit required.			C	30.42	
Temporary Use			T		
Use not allowed					

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses

SPECIAL PURPOSE ZONING DISTRICTS AND PERMIT REQUIREMENTS

LAND USE (1) (2)	PERMIT REQUIREMENT BY ZONE				
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Retail Uses cont.	CE	CEM	MS	SR	See Standards in Section
Pumpkin sales lots, when maintained between October 15 th and November 1 st	T		T		5.44
Restaurant, Counter Service with Limited Seating			P		
Restaurants, Fast Food			P		
Restaurants, Full Service			P		
Retail stores, general merchandise			P		
Western retail and supply stores	P				

Service Uses

Ambulance Services			P		
Banks and Financial Institutions			P		
Business Support Services			P		
Cemeteries		P			
Day Care Centers			P		
Gas Station			P		
Hotels and Motels			P		
Kennel and animal boarding	P			C	
Massage establishment			C		5.64
Mortuaries and Funeral Homes			P		
Personal Services			P		
Repair and Maintenance, Consumer Products			P		
Sanitary landfills and related recovery of materials				C	

Transportation and Communications Uses

Utility and transmission facilities	C	C	C(3)	C	
Wireless telecommunication facilities.	W	W	W	W	Chapter 30.48

Key to Permit Requirements	Symbol	See Chapter
Permitted use	P	
Conditional use – Conditional Use Permit required.	C	30.42
Temporary Use	T	
Wireless Telecommunications Facilities Permit Required	W	30.48
Use not allowed		

Notes:

- (1) See 30.03.010 regarding uses not listed
- (2) See 30.70 for definitions of the land uses

SECTION 7. Chapter 30.60.030 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

30.60.030 – Nonconforming Uses

The following provisions shall be applicable to all nonconforming uses:

- A. A nonconforming use may be continued as-is provided there is no expansion of use or enlargement of floor area except as provided below:
- B. Nonconforming licensed day care centers located in the ROS, R1R, or R1 zone or in the SR zone may be continued, altered or enlarged on the same site in any manner consistent with current state licensing regulations and municipal code site design criteria as if no nonconformity existed.
- C. A nonconforming use shall be allowed to change within its own major land use type. For example, a nonconforming manufacturing/warehouse use may be interchanged with another manufacturing/warehouse use; a retail, office or service use may be interchanged with another retail, office or service use; or, a full service restaurant may be interchanged with a fast food restaurant; except that a nonconforming commercial or industrial use in a residential zone or a nonconforming industrial use in the C1 or C2 zone shall not be allowed to change to any other type of nonconforming use.
- D. A nonconforming use, or portion thereof, shall be terminated if such use is discontinued for one (1) year or if the building or structure where the use is located loses its nonconforming status due to damage or voluntary reconstruction as provided for in section 30.60.040.
- E. The addition of alcoholic beverage sales to existing nonconforming automobile service stations shall not be permitted.
- F. All nonconforming outdoor storage areas shall be required to conform to the applicable provisions for screening and/or enclosure on or before October 29, 1986.
- G. Any arcade establishment not located in the CBD zone and any billiard establishment for which a conditional use permit has not already been granted shall obtain a conditional use permit on or before October 6, 1996. Any arcade establishment which was lawfully in operation in the CBD zone prior to October 6, 1994 and any arcade establishment or billiard establishment for which no conditional use permit has been granted shall be discontinued on or before October 6, 1999.
- H. All nonconforming arcade establishments and billiard establishments existing on October 6, 1994 shall be discontinued on or before October 6, 1999, unless said period has been extended as follows:

1. If an arcade establishment or billiard establishment is subject to a written lease, entered into prior to May 1, 1994 with a termination date extending beyond January 1, 1999, the arcade establishment or billiard establishment may continue until the expiration of the present term of the lease, but in any event no later than January 1, 2002, provided the arcade establishment or billiard establishment is otherwise in compliance with all provisions of law, including but not limited to Chapter 30.42, Sections 5.24.010 through 5.24.150 and Sections 5.20.010 through 5.20.070 of the Glendale Municipal Code.
 2. If, on May 1, 1994, the arcade establishment or billiard establishment was owned by the property owner, the arcade or billiard establishment may continue until January 1, 2002; provided, the arcade establishment or billiard establishment is otherwise in compliance with all provisions of law; including, but not limited to Chapter 30.42, Sections 5.24.010 through 5.24.150 and Sections 5.20.010 through 5.20.070 of the Glendale Municipal Code.
- I. A conditional use permit for an arcade establishment existing in the CBD zone on May 1, 1996 may be extended by filing an application for a new conditional use permit, but in no case may such new conditional use permit be granted to extend beyond May 1, 1999 or January 1, 2002, provided the arcade establishment or billiard establishment is otherwise in compliance with all provisions of law and said application meets the standards to justify a favorable decision on the conditional use permit as set forth in Title 30 of this Code.
- J. If, on April 25, 2002, a liquor store, market, banquet hall or tavern is in operation in conformance with zoning regulations, including parking, such establishment may continue as a nonconforming use provided that there is no increase in the floor area of the establishment or increase in the bar service area within the existing establishment. Any existing liquor store, market, banquet hall or tavern with a valid conditional use permit on April 25, 2002, may apply for and may be granted a new conditional use permit. Notwithstanding Section 30.60.030, should an existing use with a valid conditional use permit on April 25, 2002, fail to obtain a new conditional use permit prior to its expiration, or if an alcoholic beverage control (ABC) license is revoked or suspended, the use shall lose its nonconforming status. In the case of revocation or suspension of an ABC license an administrative hearing conducted in a manner consistent with Section 30.64.020 shall be held to determine if the subject use failed to operate under the criteria set forth under the Business and Professions Code 23790.
- K. A nonconforming use may only be expanded in the IND, IMU, IMU-R and SFMU zones in compliance with the following provisions:
1. The total expansion shall not exceed 20 percent of the existing gross lot area;
 2. The expansion is limited to one time for the full life of the use;

3. Off-street parking for the entire area of the expansion shall be provided in full compliance with Chapter 30.32 (Parking and Loading) without diminishing the existing off-street parking provided for the existing use; and
4. The parking lot or parking structure area required to provide the required parking shall not be included within the 20 percent limitation of the expansion area identified in Subsection 1, above.

For illustrative purposes only, the following example would comply with the expansion provisions of this Subsection:

Existing lot: 10,000 square feet

Maximum permitted use expansion: 2,000 square feet

Minimum number of additional off-street parking spaces required within the IND zoning district (to be provided at a ratio of one parking space for each 500 square feet of gross floor area): 4

- L. All nonconforming businesses that provide shopping carts for use by their patrons shall comply with all provisions related to containment and control of shopping carts within the boundaries of store premises, as set forth in Title 30 of this Code on or before (twelve months after the effective date of the ordinance).
- M. A massage establishment lawfully in existence on or before March 3, 2016 (a legal nonconforming massage establishment) for which a conditional use permit has not already been granted must comply with the following requirements:
 1. On or before March 3, 2016, a legal nonconforming massage establishment must fully comply with all applicable requirements in Chapter 5.64 of this Code for which a building permit is not required.
 2. On or before March 1, 2017, a legal nonconforming massage establishment must submit an application under Chapter 30.42 of this Code for a conditional use permit.
 3. On or before March 1, 2018, a legal nonconforming massage establishment must fully comply with all applicable requirements in Title 30 of this Code.
 4. If a legal nonconforming massage establishment has been granted a conditional use permit, any improvement or alteration to the building or structure of that massage establishment for which a building permit is required, and which is required by either the conditional use permit, Title 30 of this Code, Chapter 5.64 of this Code, or the Glendale Building and Safety Code, must be completed with a final inspection on or before the 180th consecutive calendar day after the date on which the conditional use permit was granted. Any one or more extensions to complete the work contemplated under the building permit that are granted by the

Building Official shall extend this deadline accordingly, for as long as the permit remains current and valid.

5. Notwithstanding subparagraphs 1 through 4 above, a legal nonconforming massage establishment must cease all business operations if any one or more of the following events or circumstances occur:
 - a. The massage establishment use is discontinued for a period of 90 consecutive calendar days;
 - b. The massage establishment fails to submit an application for a conditional use permit on or before March 1, 2017.
 - c. The massage establishment fails to obtain a conditional use permit on or before March 1, 2018;
 - d. The massage establishment's application for a conditional use permit is denied, including through exhaustion of City administrative appeals as provided in Title 30 of this Code and Chapter 2.88 of this Code, and judicial remedies under California Code of Civil Procedure Section 1094.6;
 - e. The massage establishment fails to comply with the requirements in Title 30 of this Code; or
 - f. The massage establishment fails to comply with the requirements in Chapter 5.64 of this Code.
6. A legal nonconforming massage establishment must cease all business operations on or before March 1, 2018. All signs, advertising and displays relating to that business must be removed completely on or before March 31, 2018.

On or before March 3, 2016, a legal nonconforming massage establishment must fully comply with all applicable requirements in Chapter 5.64 of this Code for which a building permit is not required.

N. On or before May 31, 2020, all existing home-sharing uses shall obtain a home-sharing license as required in Chapter 5.110.

O. On or before May 31, 2020, all vacation rental uses shall terminate.

SECTION 8. Section 30.70.090 of the Glendale Municipal Code, 1995, is amended to read as follows

30.70.090 – Definitions, “H”. The following definitions are in alphabetical order:

Hardware stores. “Hardware stores” means establishments primarily specializing in the sale a wide variety of home improvement materials.

Heating and air conditioning sales and service (HVAC). “Heating and air conditioning sales and service (HVAC)” means a service use that primarily provides heating and air conditioning services on the premises of their clients and may include incidental fabrication of duct work and other related equipment.

Heavy manufacturing. “Heavy manufacturing” means manufacturing establishments that produce or provide service, including but are not limited to:

Chemical products including, cosmetics, perfume blending and toiletries (except soap),
Glass, clay, and stone products – except brickyards utilizing kilns or the manufacturing of cement, clay, plaster, and similar mineral products,
Hazardous waste, off-site or onsite, as defined in the State Health and Safety Code,
Ice,
Paper products (no pulp processes),
Plastic and fabricated rubber products (no tire manufacturing),
Plastic products (no stamping processes),
Specialty metal prototype and machine development and testing,
Tool and die (no manufacturing or stamping processes), and
Welding.

Height. "Height" means the vertical dimension from the lowest point of the building, structure or wall exposed above the ground surface to the highest point of the roof, parapet wall or uppermost part, except as may be shown otherwise on diagrams in this Title related to specific height/building envelope standards for specific zones. Chimneys, vents, utility service structures, or portions of a building located below the ground surface existing at the time of construction and exposed as a result of excavation to create door, window or ventilation openings shall not be included in the measurement of vertical dimensions, however, any ground-mounted dish antenna attached to a building or structure or any roof-mounted dish antenna shall be considered in the calculation of height. Diagram D-4, which follows and is made a part of this Chapter, shall be illustrative of the meaning of "height."

High-intensity general office/service activity use. "High-intensity general office/service activity use" means an office or service activity that exceeds an employee ratio of one (1) employee per three hundred thirty-three and thirty-three hundredths (333.33) square feet of gross floor area at any given time. For the sole purpose of this definition, an employee shall mean and include a person who works for another person or business and also includes an independent contractor, manager, agent, servant,

owner, shareholder or officer, any of whom receives remuneration including but not limited to salary, wages, commissions, profit-sharing, or monetary and non-monetary compensation. For the sole purpose of this definition, high-intensity general office/service activity uses shall include offices, personal services and business support services.

Home occupations. "Home occupations" means an accessory use or activity of a business nature conducted on residential property by the occupants of the dwelling which use is clearly incidental and subordinate to the residential use of the property.

The list of approved food products pursuant to the California Homemade Food Act (AB1616) "Homemade Food Act" is as follows (January 1, 2013):

1. Baked goods, without cream, custard, or meat fillings, such as breads, biscuits, churros, cookies, pastries, and tortillas.
2. Candy, such as brittle and toffee.
3. Chocolate-covered nonperishable foods, such as nuts and dried fruits.
4. Dried fruits.
5. Dried pasta.
6. Dry baking mixes.
7. Fruit pies, fruit empanadas, and fruit tamales.
8. Granola, cereals, and trail mixes.
9. Herb blends and dried mole pasta.
10. Honey and sweet sorghum syrup.
11. Jams, jellies, preservatives, and fruit butter that comply with the standard described in Part 150 of Title 21 of the Code of Federal Regulations.
12. Nut mixes and nut butters.
13. Popcorn.
14. Vinegar and mustard.
15. Roasted coffee and dried tea.
16. Waffle cones and pizelles.

Home-sharing. "Home-sharing" has the same meaning as that term is defined in Section 5.110.030 of this Code, or any successor legislation.

Horse. "Horse" means any quadruped of the genus equus.

Hospital. "Hospital" means establishments primarily engaged in providing diagnostic services, extensive medical treatment including surgical and other health services; such establishments have an organized medical staff, in-patient beds, and equipment and facilities to provide complete health care. Such establishments may include incidental retail uses and emergency heliports.

Hotel or motel. "Hotel or motel" means a building in which there are six (6) or more guest rooms where lodging with or without meals is provided for compensation, and

where no provision is made for cooking in any individual room or suite. Hotel or motel includes single room occupancy (SRO).

Household. "Household" includes all the persons who occupy a residential dwelling.

SECTION 9. Section 30.70.230 of the Glendale Municipal Code, 1995, is amended to read as follows:

Vacation rental. "Vacation rental" has the same meaning as that term is defined in Section 5.110.030 of this Code, or any successor legislation.

Vehicle repair garages. "Vehicle repair garages" means any building, structure, improvements or land used for the repair and maintenance of automobiles, motorcycles, trucks, trailers, or similar vehicles. This use does not include body shops and painting booths and tire stores.

Vehicle sales, leasing and rental agencies. "Vehicle sales, leasing and rental agencies" means establishments primarily engaged in the sale, maintenance, service, repair, storage, and rental of vehicles, including new and used automobiles, motorcycles, light trucks, recreational vehicles and boats. General repairs, including limited body repair and painting, and the washing of vehicles, that are incorporated into the operation and are not available to the general public are considered incidental to the use.

Vehicle storage or vehicle sales display area. "Vehicle storage or vehicle sales display area" means an area used for the storage of new or used vehicles of any type, or an area used for the storage of vehicles undergoing repair.

Veterinary offices, including hospitalization services. "Veterinary offices, including hospitalization services" means a medical facility licensed by the State Department of Public Health for the treatment of household pets. The use may include the overnight care of animals.

SECTION 10. Severability. This Ordinance's provisions are severable. If any portion of this Ordinance or its application to any person or circumstance is held invalid or unconstitutional, that decision does not affect the validity of the Ordinance's remaining portions and the Ordinance's application to other persons and circumstances. The City Council declares that it would have passed the remainder of this Ordinance without the invalid or unconstitutional provision.

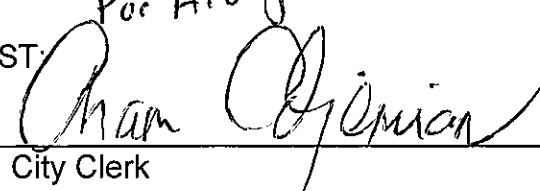
SECTION 11. CEQA Determination. The adoption of these ordinances: (1) are exempt from further environmental review under the California Environmental Quality Act ("CEQA") pursuant to Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15305 (minor alterations to land use limitations), Class 5 Exemption, as the ordinances prohibit vacation rentals and allow home-sharing residential uses in existing residential units as accessory uses with negligible expansion, if any, of the uses, but the ordinances do not allow for or encourage any development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment; (2) are exempt from further environmental review under CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because the ordinance will allow home-sharing as an accessory use of existing residential uses, but the ordinances do not allow for or encourage any more development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment, and therefore, it can be seen with certainty that there is no possibility that the ordinances will have a significant effect on the environment; and (3) is not a project under CEQA Guidelines Section 15060(c)(3) and 15378(b)(4) because, in part, it constitutes a governmental fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Each of the foregoing provides a separate and independent basis for CEQA compliance and, when viewed collectively, provides an overall basis for CEQA compliance.

SECTION 12. Effective Date. This ordinance becomes effective on the thirtieth (30th) day after its passage.

Passed by the Council of the City of Glendale on the 10th day of December, 2019.



Mayor

ATTEST: *For Atty:*


City Clerk

STATE OF CALIFORNIA) SS.
COUNTY OF LOS ANGELES)
CITY OF GLENDALE)

I, ARDASHES KASSAKHIAN, City Clerk of the City of Glendale, California, certify that the foregoing Ordinance No. 5942 was passed by the Council of the City of Glendale, California, by a vote of four-fifths (4/5ths) of the members thereof, at a regular meeting held on the 10th day of December, 2019 by the following vote:

Ayes: Agajanian, Devine, Gharpetian, Najarian,

Noes: Quintero

Absent: None

Abstain: None

For Ardy:

Ardashes Kassakhian

City Clerk

APPROVED AS TO FORM

Walter Mendi

Senior Assistant City Attorney

DATE 12/5/19

ORDINANCE NO. 5943

**AN ORDINANCE OF THE CITY OF GLENDALE, CALIFORNIA, ADOPTING
GENERAL PLAN AMENDMENT TO AMEND THE DOWNTOWN SPECIFIC PLAN
(DSP) RELATING TO REGULATION OF HOME-SHARING AND PROHIBITION OF
VACATION RENTALS (CASE NO. PGPA 1911459)**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE:

SECTION 1. Downtown Specific Plan. Chapter 3 Land Use. Section 3.3 Land Uses & Permit Requirements. Table 3-A-1: Land Uses and Permit Requirements and Table 3-B-1 are amended to read as follows:

3.3 LAND USES & PERMIT REQUIREMENTS

TABLE 3-A-1: Land Uses and Permit Requirements											TABLE 3-B-1			
Land Uses ^{1,2}	Permit Requirements by District ³										See Standards in GMC Section	Frontage Req'mts ⁴		
	Alex Theatre	Broadway Center	Civic Centers	East Broadway	Galleria	Gateway	Downtown "A & E"	Mid-Orange	Orange-Central	Transitional		Primary Frontage Streets	Entertainment Streets	Residential Streets
<p>Key to Permit Requirements</p> <p>A = Administrative Use Permit (see Chapter 30.49)</p> <p>P = Permitted Use</p> <p>C = Conditional Use Permit (see Chapter 30.42)</p> <p>T = Temporary Use</p> <p>N = Use Not Allowed</p>														
Accessory Buildings, Structures and Uses														
Accessory buildings and structures (associated with residential uses)	P	P	P	P	P	P	P	P	P	P	-	N	N	P
Accessory uses	P	P	P	P	P	P	P	P	P	P	-	N	N	P
Antennas (pole type) and flagpoles	N	P	P	P	P	P	P	P	P	P	-	N	N	N
Carts (freestanding, non-motorized portable type)	P	P	P	P	P	P	P	P	P	P	30.34.040	P	P	P
Dish antennas	P	P	P	P	P	P	P	P	P	P	30.34.050	N	N	N
Home occupation	P	P	N	P	P	P	P	P	P	P	30.45	N	N	P
Home-sharing	P	P	P	P	P	P	P	P	P	P	5.110	N	N	P
Signs	P	P	P	P	P	P	P	P	P	P	30.33	P	P	P
Solar Energy Equipment	P	P	P	P	P	P	P	P	P	P	-	P	P	P
Education, Public Assembly Uses														
Convention Centers	P	P	P	N	P	P	P	P	N	N	-	N	P	C
Cultural Arts Centers	P	P	P	P	P	P	P	P	P	P	-	P	P	P
Gyms and health clubs	P	P	N	C	P	P	P	P	P	C	-	N	P	P
Gyms and health clubs (existing prior to June 1, 2003)	P	P	N	P	P	P	P	P	P	P	-	P	P	P
Indoor recreation centers	P	P	N	C	P	P	P	P	P	C	-	N	P	P
Museums	P	P	P	P	P	P	P	P	P	P	-	P	P	P
Places of worship	P	P	N	C	P	P	P	P	P	C	-	N	N	P
Places of worship (existing prior to June 1, 2003)	P	P	N	P	P	P	P	P	P	P	-	P	P	P
Private clubs and lodges	P	P	N	C	P	P	P	P	P	C	-	N	P	C
Public dances	P	P	P	P	P	P	P	P	P	P	-	P	P	P
Schools, physical instruction	P	P	N	P	P	P	P	P	P	P	-	N	P	P
Schools, private	P	P	N	C	P	P	P	P	P	C	-	N	N	P
Schools, private specialized education / training	P	P	N	N	P	P	P	P	P	N	-	N	C	P
Theaters	P	P	P	N	P	P	P	P	N	N	-	N	P	N

1 See Glendale Municipal Code Section 30.03.010 regarding uses not listed
 2 See Glendale Municipal Code Chapter 30.70 for definitions of the land uses
 3 Uses in the Town Center District are subject to the Town Center Specific Plan
 4 Frontage Requirements apply only to the first 25 feet of lot depth of the ground floor for streets designated with Ground Floor Uses on the Land Use Map (Figure 3-A)

SECTION 2. Severability. This Ordinance's provisions are severable. If any portion of this Ordinance or its application to any person or circumstance is held invalid or unconstitutional, that decision does not affect the validity of the Ordinance's remaining portions and the Ordinance's application to other persons and circumstances. The City Council declares that it would have passed the remainder of this Ordinance without the invalid or unconstitutional provision.

SECTION 3. CEQA Determination. The adoption of these ordinances: (1) are exempt from further environmental review under the California Environmental Quality Act ("CEQA") pursuant to Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15305 (minor alterations to land use limitations), Class 5 Exemption, as the ordinances prohibit vacation rentals and allow home-sharing residential uses in existing residential units as accessory uses with negligible expansion, if any, of the uses, but the ordinances do not allow for or encourage any development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment; (2) are exempt from further environmental review under CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because the ordinance will allow home-sharing as an accessory use of existing residential uses, but the ordinances do not allow for or encourage any more development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment, and therefore, it can be seen with certainty that there is no possibility that the ordinances will have a significant effect on the environment; and (3) is not a project under CEQA Guidelines Section 15060(c)(3) and 15378(b)(4) because, in part, it constitutes a governmental fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Each of the foregoing provides a separate and independent basis for CEQA compliance and, when viewed collectively, provides an overall basis for CEQA compliance.

SECTION 4. Effective Date. This ordinance becomes effective on the thirtieth (30th) day after its passage.

Passed by the Council of the City of Glendale on the 10th day of December, 2019.

Paul Meyer

Mayor

For Arday:
ATTEST: *Cham Arday*

City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.
CITY OF GLENDALE)

I, ARDASHES KASSAKHIAN, City Clerk of the City of Glendale, California, certify that the foregoing Ordinance No. 5943 was passed by the Council of the City of Glendale, California, by a vote of four-fifths (4/5ths) of the members thereof, at a regular meeting held on the 10th day of December, 2019 by the following vote:

Ayes: Agajanian, Devine, Gharpetian, Quintero, Najarian

Noes: None

Absent: None

Abstain: None

For Arday:
Cham Arday

City Clerk

APPROVED AS TO FORM

Whittie Arday

Senior Assistant City Attorney

DATE 12/5/19

RESOLUTION NO. 19-184

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GLENDALE,
CALIFORNIA, AMENDING THE ADOPTED 2019-20 CITYWIDE FEE SCHEDULE BY
ESTABLISHING A FEE FOR HOME-SHARING LICENSE**

WHEREAS, on June 4, 2019, the Council considered and adopted a Citywide Fee Schedule for the Fiscal Year 2019-20, Resolution Nos. 19-61 and 19-62 ("Adopted Citywide Fee Schedule"), which consolidated into a comprehensive list all City taxes, schedules, fees, charges, rates, and penalties that are published on the City's website and are reviewed and updated annually as part of the budget process; and

WHEREAS, simultaneously with this Resolution, the Council has adopted Ordinance No. 5941, which adds a new Chapter 5.110 to the Glendale Municipal Code, 1995. Among other things, the Ordinance at Section 5.110.040(A) states that the Council shall establish a home-sharing license fee by Resolution; and

WHEREAS, the Director of Community Development has determined that the actual and reasonable administrative cost to the City for processing an application for a "Home-Sharing License" is \$272 per application; and

WHEREAS, the Council desires to establish the fee for processing a "Home-Sharing License" in the amount listed above, and include the fee in the Adopted Citywide Fee Schedule; and

WHEREAS, the fee for processing a "Home-Sharing License" is a charge imposed for any one or more of the following purposes:

1. A specific City benefit conferred or privilege granted (California Constitution, Article XIII C, §1 (e)(1));
2. A City service or product (California Constitution, Article XIII C, §1 (e)(2));
3. A charge imposed for City's issuing licenses and permits, performing investigations, inspections, and audits, and administrative enforcement and adjudication (California Constitution, Article XIII C, § 1 (e)(3)); or
4. A monetary charge imposed by the City as a result of a violation of law (California Constitution, Article XIII C, § 1 (e)(5)); and

WHEREAS, the Director of Community Development has reviewed the fee charged for the City services, and with the City Manager's approval, recommends the fee's adoption.

7 0 4

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE;

SECTION 1. Notice of the public meeting at which this Resolution was considered was properly given, and all oral and written presentations made to and heard by the City Council were properly considered.

SECTION 2. The Council hereby:

1. Establishes, approves, and adopts a Home-Sharing License processing fee in the amount of \$272; and
2. Amends the 2019-20 Adopted Citywide Fee Schedule to add the fee, to which the City's Revenue Manager shall assign a fee number.

SECTION 3. The cost estimate produced by City staff and considered by the Council in establishing the fee under this Resolution is a reasonable cost estimate for the City services to which the fee pertains.

SECTION 4. A reasonable relationship exists between the fee to be collected for the City services and the City's costs in providing those services, as identified in the data made available.

SECTION 5. The newly created fee:

1. Does not exceed the actual or estimated reasonable costs to the City of providing the services to which the fees relate;
2. Is reasonable and necessary to enable the city to provide the benefit for privilege, service or product, license or permit, use or rental, fine or penalty, or property development to which it relates; and
3. Has been allocated in a manner such that the costs to the payer bear a fair and reasonable relationship to the payer's burden on, or benefit's received, from the City.

SECTION 6. This Resolution takes effect on the effective date of Ordinance No. 5941.

Adopted this 10th day of December 2019,

Rene Najarian
Mayor

ATTEST. *For Ardy:*
Man Ojanian
City Clerk

STATE OF CALIFORNIA) SS.
COUNTY OF LOS ANGELES)
CITY OF GLENDALE)

I, Ardashes Kassakhian, City Clerk of the City of Glendale, hereby certify that the foregoing Ordinance was adopted by the Council of the City of Glendale, California, at a regular meeting held on the 10th day of December, 2019, and that the same was adopted by the following vote:

Ayes: Agajanian, Devine, Gharpetian, Quintero, Najarian
Noes: None
Absent: None
Abstain: None

For Ardy:
Man Ojanian
City Clerk

APPROVED AS TO FORM

Yvette Alvarado
Senior Assistant City Attorney

DATE 12/5/19

RESOLUTION NO. 19-185

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GLENDALE, CALIFORNIA, AMENDING COMPREHENSIVE CITYWIDE FEE RESOLUTION REGARDING ADMINISTRATIVE CITATION FINE AMOUNTS FOR HOME-SHARING AND VACATION RENTAL ACTIVITY AND AMENDING THE EXISTING COMPREHENSIVE CITYWIDE FEE SCHEDULE FOR THE FISCAL YEAR 2019-20 TO ADD VIOLATIONS SUBJECT TO FINES AND PROCESSING FEES RELATED TO HOME-SHARING AND VACATION RENTAL ACTIVITY

WHEREAS, Chapter 1.24 of Title 1 of the Glendale Municipal Code ("GMC") authorizes City enforcement officers to issue administrative citations to responsible persons for violations of the GMC; and

WHEREAS, Chapter 1.24 of Title 1 of the GMC provides that the amount of the fine to be assessed by means of an administrative citation shall be specified by resolution of the City Council; and

WHEREAS, the fine amounts are intended to incentivize violators to correct violations of the GMC in a speedy and efficient manner, thereby conserving City code enforcement resources; and

WHEREAS, Chapter 1.24 of Title 1 of the GMC provides that due to the significant risk posed by certain violations to public health, safety and welfare, the amount of fine to be imposed for certain violations of the GMC shall be of a greater amount than others and shall be established by resolution of the City Council and thus, initial and subsequent fine amounts vary based on such severity, falling into one of three fine tiers; and

WHEREAS, Chapter 1.24 of Title 1 of the GMC provides that the City may also recover the cost of processing the administrative citation (processing fee); and

WHEREAS, the Council adopted Resolution 13-96 on June 25, 2013, which established the fine schedule for the then-recently adopted administrative citation program; and

WHEREAS, the Council adopted Resolution 13-216 on December 10, 2013, which included additional GMC violations subject to administrative citation fines and included the amount the City may charge to recover its costs in processing each administrative citation via a processing fee; and

WHEREAS, the Council has, at various times since, in the past, adopted additional resolution which have added, amended or deleted GMC violations subject to administrative citation fines;

WHEREAS, the Council adopted Resolution 19-61 on June 4, 2019, which established certain fees and increased certain fees for various services, permits and

certificates provided by the City, and adopted a comprehensive Citywide fee schedule for the fiscal year 2019-20;

WHEREAS, simultaneously with this Resolution, the Council has adopted Ordinance No. 5941, which adds Chapter 5.110 to the GMC related to home-sharing regulations and prohibition of vacation rentals; and

WHEREAS, the City desires to include new and additional violations of the GMC related to home-sharing regulations and prohibition of vacation rentals consistent with the ordinance, that will be subject to administrative citation fines and processing fees.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GLENDALE:

SECTION 1. Fine Amounts: GMC Section Reference. In addition to the violations and corresponding fine amounts to be assessed by means of an administrative citation already adopted in Resolutions 13-96 and 13-216, as well as various other resolutions related to administrative citations, the following additional violations and corresponding fine amounts related to home-sharing regulations and prohibition of vacation rentals to be assessed by means of an administrative citation, set forth in the attached Exhibit 1, are adopted.

SECTION 2. Repeat Violations. The administrative citation fine amount for a second violation of the same GMC provision by the same responsible party within twelve (12) months from the date of the first administrative citation shall be higher than the amount for the first administrative citation, and shall vary depending on the violation cited, as set forth in the attached Exhibit 1. The administrative citation fine amount for a third and any subsequent violation of the same GMC provision by the same responsible party within twelve (12) months from the date of the first administrative citation shall be higher than the amount for the first or second violation, and shall vary depending on the violation cited, as set forth in the attached Exhibit 1.

SECTION 3. Late Payment. Payment of the administrative citation fine amount after thirty (30) days from the date of the administrative citation shall be subject to an additional late payment charge. The late payment charge shall equal ten percent (10%) of the administrative citation fine amount due the City, or ten percent (10%) of the amount remaining unpaid to the City if a portion of the fine amount was timely paid. Late payment charges shall be in addition to the amount of the administrative citation fine amount. In addition, interest shall accrue on all unpaid monies due, exclusive of late payment charges, at the rate of one half of one percent per month, pro rata, of the total amount due from the date the administrative citation fine amount becomes delinquent until the date that all delinquent amounts are paid to the City.

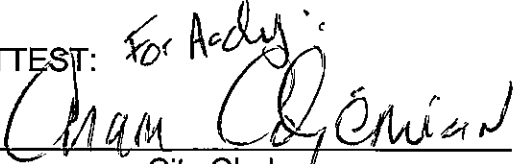
SECTION 4. Processing Fee. Every administrative citation will be assessed a \$22 administrative citation processing fee. This processing fee is in addition to the administrative citation fine amount, any applicable late fee, interest or collection costs.

SECTION 5. This Resolution's adopted fees and fines take effect on the effective date of Ordinance No. 5941.

Adopted this 10th day of December, 2019.



Mayor

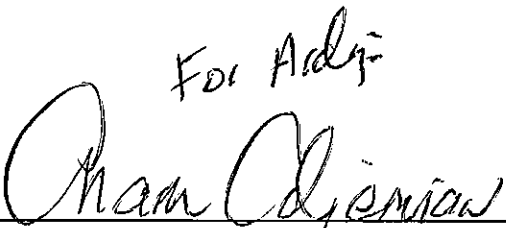
ATTEST: *For Aady:*


City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF GLENDALE)

I, Ardashes Kassakhian, City Clerk of the City of Glendale, do hereby certify that the foregoing Resolution No. 19-185 was adopted by the Council of the City of Glendale, California, at a regular meeting held on the 10th day of December, 2019, by the following vote:

- Ayes: Agajanian, Devine, Gharpetian, Quintero, Najarian
- Noes: None
- Absent: None
- Abstain: None

For Aady:


City Clerk

APPROVED AS TO FORM



Senior Assistant City Attorney

DATE 12/5/19



**CITY OF GLENDALE, CALIFORNIA
REPORT TO THE:**

Joint City Council Housing Authority Successor Agency Oversight Board

December 10, 2019

AGENDA ITEM

Report: Adoption of Introduced Ordinances amending Titles 4, 5 and 30 of the Glendale Municipal Code, 1995, and General Plan Amendment to the Downtown Specific Plan (DSP) to prohibit vacation rentals, and permit and regulate home-sharing (Zoning Code Amendment Case No. PZC 1911458 and General Plan Amendment Case No. PGPA 1911459); and report regarding stakeholder feedback

- 1) Ordinance for Adoption amending Titles 4 and 5;
- 2) Ordinance for Adoption amending Title 30;
- 3) Ordinance for Adoption amending the Downtown Specific Plan (DSP);
- 4) Resolution Amending 2019-20 Citywide Fee Schedule by Establishing Home-Sharing License Fee;
- 5) Resolution Amending 2019-20 Citywide Fee Schedule Re: Administrative Citation Fine Amounts;
- 6) Motion Directing Staff Regarding Future Amendments and Enforcement Policy.

COUNCIL ACTION

Public Hearing Ordinance Consent Calendar Action Item Report Only

Approved for December 10, 2019 calendar

ADMINISTRATIVE ACTION

Submitted by:
Philip Lanzafame, Director of Community Development

Prepared by:
Kristen Asp, Principal Planner

Chris Baghdikian, Senior Planner

Signature

Philip Lanzafame (P/L)

Kristen Asp

Chris Baghdikian

Approved by:
Yasmin K. Beers, City Manager

Reviewed by:
Roubik Golanian, Assistant City Manager

Michael J. Garcia, City Attorney

Yvette Neukian, Senior Assistant City Attorney

Bradley Calvet, Assistant Director of Community Development

Erik Krause, Deputy Director of Community Development

Michele Flynn, Director of Finance *MF*

Yasmin K. Beers

Roubik Golanian

Michael J. Garcia

Yvette Neukian

Bradley Calvet

Erik Krause

Michele Flynn

RECOMMENDATION

Community Development Department staff recommends that the City Council consider the feedback gathered from various stakeholders since the September 10, 2019 City Council meeting regarding regulation of home-sharing and banning vacation rentals and either adopt the Ordinances amending Titles 4, 5 and 30 of the Glendale Municipal Code, 1995, and General Plan Amendment to the Downtown Specific Plan (DSP) to prohibit vacation rentals, and permit and regulate home-sharing (Zoning Code Amendment Case No. PZC 1911458 and General Plan Amendment Case No. PGPA 1911459), and pass the accompanying resolutions as introduced at the September 10 meeting, or, alternatively, not adopt the Ordinances as introduced and direct staff to draft new modified ordinances regarding short-term rentals per Council's desired policy direction and return to Council at a later date with a new ordinance, following a new recommendation from the Planning Commission.

BACKGROUND/ANALYSIS

At a regular City Council meeting on September 10, 2019, the Council considered and introduced three ordinances to prohibit vacation rentals, and permit and regulate home-sharing:

- Ordinance for introduction amending Titles 4 and 5;
- Ordinance for introduction amending Title 30; and
- Ordinance for introduction amending the Downtown Specific Plan (DSP).

The final versions of these ordinances, with the change made by Council to the ordinance amending Titles 4 and 5 to eliminate the 180-day cap on home-sharing, are included with this item, as well as the two resolutions:

- Resolution Amending 2019-20 Citywide Fee Schedule by Establishing Home-Sharing License Fee; and
- Resolution Amending 2019-20 Citywide Fee Schedule Re: Administrative Citation Fine Amounts.

The original ordinance for Title 30 included an amortization period of approximately 5 months from the adoption date (proposed March 31, 2020) to require any existing vacation rental to terminate and any existing home-sharing use to obtain the required license. Because of the additional time to gather feedback, this original date has been extended to May 31, 2020 to give the same 5 month period to comply.

Though Council introduced the ordinances described above at the September 10, 2019 City Council meeting, it also directed staff to conduct outreach with Airbnb representatives and various hosts within Glendale (who spoke at the September public hearing). Staff has concluded its meetings and the summary of the feedback received following these meetings is summarized in this report.

Feedback Received from Airbnb Representatives Following Outreach in October 2019

Community Development Department and City Attorney's Office staff had a telephone conference call with Airbnb representatives on October 2, 2019, and followed up with a face-to-face meeting on October 8, 2019.

During the call and the sit-down meeting, the following feedback was received from the Airbnb representatives regarding the City's proposed regulations:

- Airbnb representatives stated they do not believe the proposed ordinances and ordinances like these achieve the intended goal of preserving the housing stock and the quality of life for residents;
- Airbnb representatives expressed doubts that the City could effectively enforce the proposed ordinances;
- Airbnb representatives proposed that a better way to regulate short-term rentals would be to provide a "pathway to legalization" of home-sharing and vacation rentals and that this would allow the City to have more enforcement authority and control over registered or licensed properties;
- Airbnb representatives offered to work with the City to remove unregistered/unlicensed listings on its hosting platform if the City passed ordinances to legalize home-sharing and vacation rentals with registration/license requirements;
- Airbnb representatives offered to consider entering into a transient occupancy tax collection agreement on behalf of the City if the City legalized home-sharing and vacation rentals;
- Airbnb representatives offered to work with the City to develop ordinances to legalize home-sharing and vacation rentals with registration/license requirements and offered some suggestions to achieve the City's goal of preserving the long-term rental housing stock and maintaining the quality of life for residents, including:
 - Limiting the overall number of vacation rental/home-sharing licenses available annually to cap the number of short-term rentals in the City;
 - Allowing vacation rentals but capping the number of units in a multi-family dwelling that can be rented on a short term basis to 4 units or 25% of the total number of units, whichever is less;
 - Requiring hosts to list vacation rentals with two-night minimums to minimize "party-house" rentals;
 - Requiring hosts to monitor vacations rentals through technology (i.e., cameras and sound equipment).
- Finally, Airbnb offered to work with code enforcement staff to identify problem/nuisance properties throughout the City on an ongoing basis.

Staff requested Airbnb representatives to provide data regarding the number of listings on their hosting platform broken down by those that are home-sharing and those that are vacation rentals. Airbnb reported approximately 360 hosts in the City of Glendale with approximately 550 listings, but it was unable to determine what number of these listings are vacation rentals versus home-sharing since the data on the platform is often missing or inaccurate (self-reported). Airbnb stated that generally, it could say confidently that the “majority” of the listings are “hosted stays” (meaning home-sharing). Airbnb also could not identify which listings were single-family versus multi-family dwellings.

Airbnb’s numbers are consistent with those received from Host Compliance, a company staff reached out to in late September 2019 that specializes in assisting cities with enforcement and administration of short-term rental regulations. Host Compliance identified 679 listings, representing 554 unique rental units as of September 2019 in the City of Glendale across all platforms, including Airbnb, VRBO and others. The number of short-term rental listings has grown 33% in Glendale over the last year (from 510 to 679 listings). Counting only unique rental units, Glendale has seen 31% growth since last year (from 424 to 554). Host Compliance could not accurately determine how many of these listings/units were hosted or un-hosted, and similarly could not accurately determine how many were single-family or multi-family dwellings. Host Compliance estimates that the median nightly rate in the City for a short-term rental is \$210. Host Compliance also shared that the vast majority of Glendale’s listings are on Airbnb (approximately 75% of them).¹

To identify the number of units removed from the potential rental market would require a more in depth study that would consider each of the listings available across all platforms for home sharing. Staff can make a reasonable assumption regarding the impact of potential multi-family units that could have been available for rent by considering the number of different hosts and the total number of listings available. As identified above, there are a total of 550 listings on AirBnB by a total of 360 hosts. It could reasonably be assumed that those with multiple listings would most likely be multi-family properties. As such staff is estimating that approximately a minimum of 190 of the listings of the 550 could likely be multi-family units.

This is important to note, because as acknowledged previously, multi-family units listed as part of home sharing are additional units not available for potential tenants to rent. Several studies have been conducted that have acknowledged the impact this has on

¹ Staff also participated in a call with LodgingRevs, a competitor company of Host Compliance. LodgingRevs estimates that as of September 24, 2019, the City of Glendale had a total of 713 short-term vacation rental ad listings on the top four ad platforms. To determine the number of listings, LodgingRevs conducted an initial sweep of Airbnb, the HomeAway sites (including VRBO), Flipkey, and Craigslist. This number includes all listings, and does not account for duplicate listings (the same listing on multiple hosting platforms). LodgingRevs’ data indicates that the average daily rate for a listing in Glendale is \$232 a night. Because of issues similar to those cited by Airbnb and Host Compliance, LodgingRevs could not provide staff with a breakdown of how many listings were hosted versus those that were un-hosted (for entire homes).

the availability of units for rent and housing affordability. A recent study by the University of Massachusetts found a 0.4 percent increase in rents for every 12 home sharing listings within the city.

While not feedback from meeting with Airbnb representatives, Airbnb announced in early November their plans to immediately ban “party houses” after an incident during a Halloween party at an Airbnb rental in Orinda, California. They announced their plans to expand manual screenings of high-risk reservations flagged by their risk detection technology as a tool to combat unauthorized parties and get rid of abusive hosts and guest conduct. It is too early to know if these measures will be effective.

Feedback Received From the Glendale Homeowner’s Coordinating Council Following Planning Staff’s Attendance and Presentation at Their November 4, 2019 Meeting

Community Development Department staff attended the Glendale Homeowner’s Coordinating Council’s meeting on November 4, 2019. At the meeting, Planning staff presented a summary of the proposed rules and asked for any additional feedback. Generally, various members in attendance asked a handful of questions regarding the proposed ordinances and reiterated their original support for the ordinances.

Feedback Received From Glendale Hosts Following Outreach in November 2019

Community Development Department and City Attorney’s Office staff conducted a face-to-face meeting with 10 hosts of short-term rentals on November 18, 2019 from 5 to 7 p.m. Prior to the meeting, Planning staff contacted all hosts that attended the September 10, 2019 City Council meeting and hearing, who provided their contact information, and expressed an interest in attending any follow-up outreach meetings, to invite them to a meeting at the City regarding the proposed ordinances being considered for adoption. It is believed that some of the hosts also invited additional people not initially contacted to attend the meeting, so the outreach was broader than just the hosts that appeared at the September hearing.

During the meeting, the following feedback was received from the various hosts regarding the City’s proposed regulations:

- The hosts were generally in agreement that they oppose banning vacation rentals and do not support requiring a license or registration of either home-sharing or vacation rentals;
- Some of the hosts expressed support for a licensing scheme for both home-sharing and vacation rentals, with steep fines and a revocation process for violators;
- At least one host suggested allowing vacation rentals but capping those at 180 days per year;
- Other hosts suggested requiring hosts to install cameras or sound-monitoring equipment for all vacation rentals;

- The hosts generally supported requiring hosts to abide by rules and regulations related to noise, trash, parking, and other quality-of-life impacts;
- One host in particular took great issue with the data and studies that seem to indicate that short-term rentals have a negative effect on affordable housing, suggesting that the income he derives from short-term rental of units in his multi-family dwelling allows him to make necessary repairs and keep rents low and affordable overall;
- The hosts generally emphasized the positive effects of allowing short-term rentals, such as the income the host derives from the rentals, and cited to anecdotal instances of hosts (including those present) who would be unable to afford their mortgage without such income;
- The hosts also emphasized the need for additional data and studies to better understand the positive and negative effects of short-term rentals so that a more targeted ordinance can be crafted to address the actual, as opposed to what the hosts believe are only the perceived, problems; as such the hosts suggested that the City Council should not adopt the ordinances as proposed and instead direct staff to conduct additional studies or, alternatively, to enact a pilot program allowing all short-term rentals with some regulations and revisit the effects upon the expiration of the program;
- The following are additional suggestions received from hosts from emails and other communications received since the meeting:
 - Home-sharing and vacations rentals provide culturally enriching experiences for both hosts and guests;
 - The City should allow property owners to rent out their primary residence (or a part thereof) for short-term rentals without limit, provided they live on the premises and obtain a permit to do so that is not cost prohibitive; enforcement of violations of “bad hosting” (repeated visits by police, noise complaints, etc.) would result in fines and repeat offenders could result in revocation of the permit.
 - The City should allow owners of multi-family units to live in one dwelling unit and rent the remaining as a short-term rental, with some limits such as:
 - If the property is a triplex, allow the owner to live in one unit and short-term rent out one of the other units, but not both of the other units (provided permits are obtained);
 - If the property is a quadplex, allow the owner to live in one unit, and short-term rent out 2 of the 3 other units (50% provided permits are obtained);
 - Allow up to 120/180 days short-term rental of a primary residence if the owner is absent but has a manager or co-host to handle the rentals while the owner is away.

- For non-primary residences (additional/vacation houses and multi-units without one being the primary residence):
 - Only allow one vacation/secondary home to be rented out short-term provided the owner has a primary residence in Glendale and a permit is obtained. All additional homes owned by the same person or corporation must be rented out long-term.
 - For complexes with between 5 and 10 units only allow 20% of units to be rented out short-term (with permits).
 - Only allow 10% of units in a multi-unit apartment complex (over 10 units) to be devoted to short-term rentals (with permits).

ENVIRONMENTAL REVIEW

The adoption of these ordinances: (1) are exempt from further environmental review under the California Environmental Quality Act ("CEQA") pursuant to Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15305 (minor alterations to land use limitations), Class 5 Exemption, as the ordinances prohibit vacation rentals and allow home-sharing residential uses in existing residential units as accessory uses with negligible expansion, if any, of the uses, but the ordinances do not allow for or encourage any development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment; (2) are exempt from further environmental review under CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because the ordinances will allow home-sharing as an accessory use of existing residential uses, but the ordinances do not allow for or encourage any more development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment, and the ordinances will impose regulations that limit the environmental impacts of residential uses of property compared to those currently in place and that of owners and long-term renters, and therefore, it can be seen with certainty that there is no possibility that the ordinances will have a significant effect on the environment; and (3) is not a project under CEQA Guidelines Section 15060(c)(3) and 15378(b)(4) because, in part, it constitutes a governmental fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Each of the foregoing provides a separate and independent basis for CEQA compliance and, when viewed collectively, provides an overall basis for CEQA compliance.

FISCAL IMPACT

As outlined in the September 10, 2019 report, assuming the Council adopts the ordinances as introduced, and depending on future policy direction regarding enforcement options, which staff can return to receive from Council at a later date if Council chooses, there may be the need to expend resources dedicated to enforcement. If Council wishes to actively and proactively enforce the prohibition on vacation rentals, and/or if Council wishes to hire a third-party contractor to actively identify illegal vacation rentals and monitor home-sharing uses, the proposed ordinances banning vacation rentals and requiring a permitting scheme for home-

sharing will require either hiring additional code enforcement staff or paying a contractor to monitor illegal rentals, or both. Examples of services offered by third-party contractors include:

- 1) assistance with registration, permitting and tax collection through online tools that streamline these registration and tax collection processes and guide applicants through what can otherwise be complex permitting workflows;
- 2) assistance with identifying violators through addresses across multiple hosting platforms through sophisticated software tools and algorithms that are deployed continuously across the world's 54 largest vacation rental websites ensuring up-to-date and comprehensive data;
- 3) assistance with enforcement, from monitoring violators to sending notices or citations;
- 4) assistance with auditing or requesting data from hosts who under-report lodging taxes; and
- 5) establishing and staffing a 24/7 short-term rental hotline or online complaint site to allow residents to communicate complaints easily.

Also, since the ordinance clarifies and solidifies the requirement to pay TOTs on any home-sharing revenues, it may result in additional TOT revenues. Once the ordinances are in effect, City Attorney staff will reach out to other cities that have been successful in negotiation TOT collection agreements with Airbnb, and subsequently to Airbnb itself, to explore the possibility of negotiating such an agreement for the City. It is unknown if Airbnb would be willing to negotiate a TOT collection agreement with the City if it adopts a ban on vacation rentals. Airbnb representatives informed staff that if the City did not ban vacation rentals, Airbnb would be *willing to consider* such an agreement but *did not* explicitly state that if the City bans vacation rentals that Airbnb would be unwilling to enter into such an agreement.

ALTERNATIVES

Alternative 1: The City Council may adopt the ordinances as introduced, along with the fee resolutions;

Alternative 2: The City Council may decide to not adopt the ordinances, direct staff to conduct additional studies and return at a later date with a new ordinance consistent with Council direction;

Alternative 3: The City Council may consider any other alternative not proposed by staff.

CAMPAIGN DISCLOSURE

Not applicable to this agenda item.

EXHIBITS

Exhibit 1: Miscellaneous correspondence related to home-sharing and vacation rentals

Asp, Kristen

From: Susan Dasso <susandasso@hotmail.com>
Sent: Tuesday, December 03, 2019 5:16 PM
To: Najarian, Ara; Devine, Paula; Gharpetian, Vartan; Quintero, Frank; Agajanian, Vrej
Cc: Kassakhian, Ardashes; Airbnb City Contacts
Subject: STR Income and Expenses: Is an Ordinance worth it?

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Dear Mr. Mayor and Members of the City Council,

I would like to bring up the topic of the potential income from STRs and the expenses associated with it.

The Staff report of 2016 estimated that there are approximately 450 STR listings in Glendale.

In that same report, Staff also reported that the average number of days a listing is rented is 15-90 days per year, an average of 52.5 rental days per year per listing. This average represents an average rental period of 14% of the year. From this data it is clear that STRs provide supplemental income to their owners.

The following is an estimated guess at the annual income and expenses to manage and monitor STR's **without an ordinance to enforce.**

Annual Income

Fees from annual license if license is \$275/listing: 450 listings x \$275 license = \$123,750

TOT Tax (12%) if each listing averages rental of 52.5 days per year and the average rental price for a listing is \$175/listing: ((450 listings x 52.5 rental days) x \$175 rental price) x 12% TOT Tax = \$496,125

Total Annual Income

\$123,750 (License Fees) + \$496,125 (TOT) = \$619,875

Annual Expenses

FTE with Benefits at \$125,000/FTE: 2.5 FTEs x \$125,000 = \$312,500

Overhead (space, computers, IT support, supplies, phone, car expenses) is \$4,000/month: 12 x \$4,000 = \$48,000

Total Annual Expenses

\$312,500 (FTEs) + \$48,000 (Overhead) = \$360,500

Potential Profit

\$619,875 (Income) - \$360,500 (Expenses) = \$259,375

Without real data to support these estimates, is it wise to embark upon approving an ordinance which could put additional risk to Glendale's finances? Furthermore, with the approval of an ordinance, the number of STRs in the city may decrease significantly thus reducing the income to enforce the ordinance.

The income and average number of rental days per listing for STRs is so small when compared to the income and rental days from hotels in Glendale, that they really do not pose an economic threat to the hotel business. STRs simply offer a different experience for guests in our city; they will never be a "cash cow" for the city or anyone else for that matter. However, guests that stay in STRs will spend money in and around the area that they stay which is of benefit to our local businesses.

Again, I urge you to post-pone a decision on the ordinance and work with the STR platforms to collect the TOT tax which can be used to hire temporary staff to investigate the actual number and use of STRs in our city and the actual impact of them to it for one year. At the end of the year, you will be better informed and able to determine the issues and types of regulations required for STRs if any. I believe that at the end of the year you will find that collecting the TOT tax will be a nice little reward without having to do much work regulating STRs.

Thank you for your consideration.

Sincerely,
Susan Dasso
Airbnb Plus Host, City of Glendale

Asp, Kristen

From: Shawn Kelly <shawndraws@gmail.com>
Sent: Tuesday, December 03, 2019 1:35 PM
To: Asp, Kristen
Subject: Support Short Term Rentals in Glendale

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Dear Principal Planner Kristen Asp,

My name is Shawn Kelly, and I'm a Glendale resident, voter, and Airbnb host. I was the leadoff speaker on the topic of short term rentals at the City Council meeting on September 10. As I said in my remarks, I have lived in Glendale for 60 of my 62 years, and my husband, Scott, has lived here for 38 years. We currently own (for 15 years) a four-bedroom home in the La Crescenta annex. It is our third home in Glendale. We love this community and have deep connections here.

We have been Airbnb home sharing hosts for over five years. We stay here in our house 100% of the time, and book guests about 300 nights per year to tourists from all over the world. We vet our guests carefully and, since we live here, enforce strict noise and conduct rules and don't allow parties. The income enables us to keep our beloved family home. I'm very concerned about the 180-day limit, which seems arbitrary. If we are already booking 300 nights per year with zero neighbor complaints over five years, what is the purpose of limiting our nights? At the September meeting, it seemed as though you might reconsider such a limit. I hope that is still the case.

Accordingly, we respectfully request that you delay a vote on these limits until you gather additional input from the community.

Sincerely,
Shawn Kelly
La Crescenta

Sincerely, Shawn Kelly

Asp, Kristen

From: Ramon Ortega <rdnma12@gmail.com>
Sent: Tuesday, December 03, 2019 1:41 PM
To: Asp, Kristen
Subject: Support Short Term Rentals in Glendale

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Dear Principal Planner Kristen Asp,

I'm a Glendale resident, voter, and Airbnb host.

And own a duplex- these help us with our mortgage payments; don't take it away

Sincerely, Ramon Ortega

Asp, Kristen

From: Daniel Rutherford <djr1215@yahoo.com>
Sent: Tuesday, December 03, 2019 1:47 PM
To: Asp, Kristen
Subject: Support Short Term Rentals in Glendale

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Dear Principal Planner Kristen Asp,

I'm a Glendale resident, voter, and Airbnb host. As a retired person I depend on the income from hosting on Airbnb to be able to stay in my home. Without this income I would be forced to sell my home where my family and I have lived for 30 years. I urge you to allow Airbnb hosting to continue otherwise it would cause undue hardship for myself and my family.

Sincerely, Daniel Rutherford

Asp, Kristen

From: Susan Dasso <susandasso@hotmail.com>
Sent: Monday, December 02, 2019 8:56 PM
To: Najarian, Ara; Devine, Paula; Gharpetian, Vartan; Quintero, Frank; Agajanian, Vrej
Cc: Kassakhian, Ardashes; Airbnb City Contacts
Subject: Short Term Rentals in Glendale: What is the problem?

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Dear Mr. Mayor and Members of the City Council,

It is my understanding that an ordinance to ban or severely limit Short Term Rentals (STRs) in the City of Glendale will be coming before you on December 10, 2019. I also know that this has been a topic of concern for several years and yet, I still do not know the specific issue(s) that has caused this ordinance to be drafted other than other cities are drafting similar ordinances.

I reviewed the discussions of STRs and instructions to staff provided from previous City Council meetings, but no concrete evidence or statistics have been provided that prove any negative impact STRs have had in the City of Glendale. Other cities have their own unique character and issues that they are trying to solve which have defined their approach to STRs. The City of Glendale is not like those other cities and we should not blindly adopt something just because everyone else is.

I would like to see the City Council direct staff to gather specific statistics regarding the following for the City of Glendale.

1. The total number of STRs and their breakdown by single family homes, townhouses and condominiums, apartment building (>5 units), guest houses/duplexes/triplexes/fourplexes, and home sharing;
2. Growth of the number of STRs by year from 2016-2019;
3. The number of STRs by location, i.e., residential neighborhoods, mixed use, downtown, etc.
4. The number and type of documented complaints by Glendale citizens regarding STRs.

Having met hundreds of STR hosts, I can assure you that none of them want their neighbors inconvenienced, property damaged, trash, noise, parking problems, and guests that come and go all hours of the night. You find that later situation with hotels, rather than STRs.

Before you approve of an ordinance that severely limits STRs, I would like to suggest that you determine the problem(s) that you are trying to solve as it relates specifically to the City of Glendale. You will probably find that there is no need for an ordinance that will also require enforcement and financial support from the City.

Thank you for your consideration.

Sincerely,
Susan Dasso
Airbnb Plus Host, City of Glendale

Sincerely,

Susan Dasso
Airbnb Plus Host, City of Glendale

--

Herbert Molano
818.974.6374

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Asp, Kristen

From: Herbert Molano <herbertmolano@gmail.com>
Sent: Monday, December 02, 2019 12:37 PM
To: Susan Dasso
Cc: Ruzanna Gulakyan; Baghdikian, Chris; Asp, Kristen; kevin.brunke@airbnb.com; shanthi.bolla@airbnb.com; Neukian, Yvette
Subject: Re: Request to Postpone Vote on Short Term Rental Ordinance

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Susan,

I agree with you.

If you are going to speak before the city council, I suggest that the city spend one year gathering data. They need to know how this ordinance will impact financially those who came to Short-term rental out of necessity.

Who will come to speak tomorrow Tuesday December 3rd? Please let me know and let's coordinate and plan a short rehearsal.

Thanks

Herbert
818.974.6374

On Mon, Dec 2, 2019 at 12:04 PM Susan Dasso <susandasso@hotmail.com> wrote:
Hi Yvette, Chris, and Kristen,

I am sorry to correspond so late since our meeting on November 18, but holiday activities simply got in the way.

I would like to request that the City Council post-pone the discussion of Short-term Rentals (STR) in the City of Glendale until February of next year. There is so much going on this time of year and I do not think there would be a fair representation at the City Council Meeting or enough consideration given to the pros and cons of the proposed ordinance.

I would also like to recommend that the City Council post-pone voting on the STR ordinance because there does not seem to be any concrete data that supports such an ordinance. The City cannot afford to add another layer of bureaucracy that it must support financially, especially in light of the lack of a clear definition of the problem the ordinance is trying to solve.

City Staff should be tasked to collect information for an entire year regarding short-term rentals that pertains specifically to the City of Glendale. All of the evidence that City Staff has provided so far is from studies for other cities which are very different from Glendale.

Thank you so much for your consideration.

Asp, Kristen

From: Linda Sheffield <sheff6@gmail.com>
Sent: Monday, November 25, 2019 2:46 PM
To: Najarian, Ara; Quintero, Frank; Gharpetian, Vartan; Agajanian, Vrej; Devine, Paula; Asp, Kristen; Kassakhian, Ardashes
Subject: Short term rentals

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Dear Mayor and City Council Members,

I am writing in opposition to the proposal to ban short term rentals in Glendale. Our family travels within California for family reunions and when the whole family wants to get together for certain family celebrations and holidays. We use VRBO and Airbnb to rent short term. I feel that without this option we could not have afforded to get together as a family, since even those of us who have homes do not have ones large enough to accommodate a group as large as ours. Not only has the ability to rent short term been a benefit to our family, I feel that it brings revenue to the homeowners and the communities where we have chosen to stay.

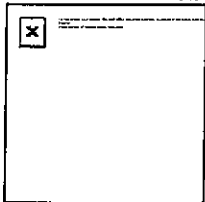
Our children have also used Airbnb to travel internationally and out of state. So, I know that communities that do allow it, do bring in visitors. The money that would be used for lodging is then spent in the communities for food and entertainment, etc., as opposed to the family staying home longer to save up for a trip, or, perhaps, they would not take a trip at all because the cost of lodging would make it prohibitive.

If you deny the homeowners of Glendale the opportunity to provide this service you will also be cutting Glendale out of the opportunity to bring visitors to our city and they will simply take their business to other cities who do allow their homeowners to provide such services.

Please oppose a ban on short term rentals in Glendale.

Sincerely,

Linda Sheffield - Notary Public
Voice or Text 818.243.3416



Asp, Kristen

From: Jennifer LaPlaca <jenlaplaca@gmail.com>
Sent: Saturday, November 23, 2019 1:17 PM
To: Najarian, Ara; Quintero, Frank; Gharpetian, Vartan; Agajanian, Vrej; Devine, Paula; Asp, Kristen; Kassakhian, Ardashes
Cc: Blake Levin
Subject: Airbnb

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Hello Amazing City Council!

We LOVE Glendale and moved here about 7 years ago to start our family. Since becoming a mom, I made the tough decision to give up my lucrative job producing The Doctors talk show and am now starting my own business as a Hypnotherapist, and host weekly mommy and me groups to support new parents. Having to go down to essentially one income to free up my time to be with my children has been difficult. We all know LA and Glendale are expensive cities to live in. However, we have been able to get by, by bringing in some extra money by offering Airbnb rentals to travelers. By doing this, we have been able to pay our mortgage, taxes and other living expenses. We have been hosting for about 2 years and have never had an issue with noise or parties. We live on the property and have very strict "house rules" of no parties, no outside guests, no loud noises etc. Many times our guests are parents coming to visit their grown up "kids" who live in the area and don't have room for them to stay all under one roof. Its a win win for everyone!

Please vote to support the Airbnb community on Dec 10th. I am cc'ing my husband Blake here as well.

Thank you in advance!

Best Regards,

Jenn Levin

Asp, Kristen

From: Mike Turner <mturner@ifc-group.com>
Sent: Thursday, November 21, 2019 5:30 PM
To: Najarian, Ara; Quintero, Frank; Gharpetian, Vartan; Agajanian, Vrej; Devine, Paula; Asp, Kristen; Kassakhian, Ardashes
Subject: Upcoming short term rental ordinance

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Mayor, Council and Staff,

Please change the ordinance to allow short term rentals for entire homes in the City of Glendale.

This allows some people to keep homes they normally would not be able to keep or repair. This brings tourism spending to Glendale from visitors who might not normally stay here. Party homes seem to be a tiny fraction of homes and can easily be dealt with via enforcement or revocation of permits. Your own Police representative stated their concern is with only three homes in the entire City.

The amount of homes taken off the rental market in Glendale due to Airbnb is undeniably small. Total Airbnbs in Glendale is 400-500 and many are shared rooms, thus not units coming off the rental market. An upcoming economic recession is inevitable at any time now. The added TOT would help Glendale with additional funds when other revenue streams start to dip just like they did in past recessions.

At the very least more data should be acquired before making a decision that very seriously impacts us residents of Glendale. Some will have to sell their homes. Some find the pursuit an extremely fulfilling activity in retirement (my mother is one). If you are going to severely harm a certain segment of Glendale residents the very least you could do is have data to back up that your impact decision will help with the problems.

Are Airbnb homes in Glendale a widespread issue that warrants banning vacation rentals? Can this issue simply be addressed with enforcement of current laws?

Are the amount of rental units being removed from the market statistically significant? If you vote to seriously harm a group of us residents to only find out the law barely impacts rental stock - that would be a shame.

This is a very serious issue for a group of us and will impact our lives significantly. Thank you for taking this into consideration before voting and I urge you to change the law to allow entire home rentals.

Mike Turner
(213) 534 6555

Asp, Kristen

From: Neukian, Yvette
Sent: Thursday, November 21, 2019 8:59 AM
To: Asp, Kristen
Subject: FW: Results of records request on STR and implications on the STR ordinance proposed

From: Herbert Molano [mailto:herbertmolano@gmail.com]
Sent: Wednesday, October 16, 2019 5:11 PM
To: Beers, Yasmin K; Najarian, Ara
Cc: Devine, Paula; Quintero, Frank; Garcia, Michael; Agajanian, Vrej; Gharpetian, Vartan
Subject: Results of records request on STR and implications on the STR ordinance proposed

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Mayor Najarian and council members

The rationale for the ordinance introduced nearly six weeks ago does not seem to have much evidence to support its rationale for implementation.

I have made several CPRA requests to understand the sources of information that corroborate the claims made as the rationale for the ordinance. The lack of sufficient data as it pertains to Glendale to support the claims to regulate vacation rentals indicates to me that what the city is proposing is an ordinance in search for a problem or additional tax revenue.

Police records show that only three homes in all of 2018 were identified as both STR and that required police patrol calls. Out of nearly 1500 calls citywide on noise and music complaints only eleven could be attributed to STR and one of those homes was identified by police as a party house. I was able to confirm one home as an AirBNB property with four reported incidents that stopped in October of 2018. One home that appears to be in some R/E transition had one reported incident.

On the justification labeled as "Due to the significant risk posed by certain violations to public health" There were no records pursuant to my request reported to neighborhood services, or other entity responsible for collecting that information.

So if the health and nuisance issues are non-existent, extremely limited, or there is no corroborating evidence, then the city should properly document those incidences before going forward or remove those justifications for the rationale fo the ordinance.

The documents that the city relied on such as "Short Changing New York City" and "Short Term rentals and LA's lost housing" are reports with some statistical data and plenty of conjecture, issues not relevant to the problems stated on the ordinance, or simply irrelevant anecdotes that give the appearance that problems exist, or problems are presented with lots hyperbole thrown in.

Two area of deficiency are salient. First there was little or no judicious effort to understand the financial impact of this ordinance on the hosts/home owners. A review of a study conducted by AirBNB that I researched independently indicates that 51% of the home owners who opted to rent out their places of residence as vacation

rentals or as shared residences do so out of significant economic need. That an ordinance that would impact negatively hundreds of residents, not rarely to the point of losing their property altogether, needs at the very least a proper effort to document that impact. That is the moral and just thing to do. Think about it. Would you share your home with a stranger? It is often, as included in the Dec 16, 2016 report, "STR helps residents afford their own homes, cover healthcare expenses, recover after the loss of a job...."

The second is the general economic benefits to the city. No such study has been conducted and the city staff, or no study for which records could be found. If four million dollars in revenue to hosts is estimated (by the calculation of the TOT expected) it is of significance to the economic wellbeing of the city to identify how those \$4,000,000 are distributed throughout the city in the form of services purchased, capital improvements made. But the city should calculate how the additional revenues that tourists pour into restaurants, services and shopping impact the economy as a whole. Without a proper economic impact, the city council should not proceed.

The city council could speculate that institutional investors may be purchasing homes and apartment buildings for the purpose of dedicating those properties to Short Term Rentals.

My suggestion is that the city address that concern first. The city can always add to the regulation as it confirms where the problems are or where the housing stock is hampered. But good governance demands that conjecture should always be backed by some empirical evidence.

Limiting vacation rental days at 180 for single-family homes as the staff report suggested may resolve the issue with institutional investors buying up homes for STR activity.

Limiting STR to three to thirty days, would reduce the number of guests per month that neighbors would perceive as changing the character of their neighborhood.

Limiting apartment buildings of five units and over to two apartments as vacation rentals per building may reduce the incentive of institutional investors from buying up apartment buildings and turning them to hotels.

But remember, STR on apartment buildings help defray rent increases as additional STR income can be used for capital improvements that often were postponed during the Great Recession.

The city could also create incentives so that additional units converted to STR would be approved with the addition of a Section 8 unit. Affordable housing programs that can reduce the backlog of about 2,500 residents on the Section 8 waiting list would be a direct effort at tackling affordable housing issues.

I suggest that the city avoid another bureaucracy, with registrations, penalties, inspections and reporting requirements. Los Angeles is already in a backlog problem addressing the requirement of their ordinance. I'd like to see Glendale be a different city with streamlined and surgical policies aimed at addressing the issues it confronts. Stop using LA and Santa Monica as model cities from which to adopt or copy ordinances. We live and invest in Glendale for a reason. Glendale must be a different city with better policies and ordinances.

In the 622 pages of documents that the city responded to my request, there were 224 references to TOT - So it is my suggestion that the TOT revenues be used for assistance to the Transients without homes - the homeless. After all, the TOT tax revenues have quadrupled in the last ten years.

Please reconsider adopting the ordinance as presented and direct staff for a simpler and more streamlined approach. Perhaps an iterative approach would be in order.

Thank you for your consideration and please include this letter as my personal comments on the proposed adoption of the STR ordinance.

Herbert

--

Herbert Molano
818.974.6374

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Asp, Kristen

From: Mike Budzik <spyfilms@gmail.com>
Sent: Tuesday, November 19, 2019 9:04 AM
To: Asp, Kristen; Neukian, Yvette; cbashdikian@glendaleca.gov

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Glendale City Staff,

Thank you for hearing comments on short-term and vacation rentals in your meeting on 11/18/19. I learned more about what is most important to the council and my understanding is that the primary issues are losing long term rental stock in an already overpriced rental market and a few repeat offender/problematic "party" homes as well as the fear of residential neighborhoods becoming more commercial.

A quick note about limiting my ability to host. As a host of an AirB&B who participates in home-sharing our income from Airbnb isn't just supplemental but a vital part of my families overall income. We are very conscientious neighbors and work very hard to maintain the quality of where we live. We have noise rules and are in communication with our neighbors making sure they know we are responsible. Limiting short-term rentals to a number of days would not help the city with either gaining additional long-term rental stock, or getting rid of the few problematic "party" homes - It would only restrict our ability to pay our bills.

Here are a few ideas that could help solve the problems mentioned as well as allowing short-term rentals without infringing on limiting the incomes of property owners if they are part of your primary residence or a vacation (second) home.

1. Allow property owners to rent out their primary residence (or a part thereof) for short-term rentals without limit, provided they live on the premises and obtain a permit to do so that is not cost prohibitive (I would suggest \$150 - \$200 per year). Enforcement of violations of "bad hosting" (repeated visits by police, noise complaints, etc.) would result in fines and repeat offenders could result in revocation of the permit.
2. Allow any secondary dwelling units on the property of a primary residence to be used for short term rentals (ADU's, Guesthouses, Duplex) as long as one of them is your primary residence. For example: I live in my house and I have a guest house on my property. I can either short-term rent my house and live in the guest house or I can live in my house and short-term rent out the guest house. If my property is a duplex, I can live in one unit and short-term rent out the second unit.
 - a. If my property is a tri-plex, I can live in one unit and short term rent out one of the other units, but not both of the other units (provided permits are obtained).
 - b. If my property is a quadplex, I can live in one unit, and can short-term rent out 2 of the 3 other units (50% provided permits are obtained).
 - c. Allow up to 120 days short-term rental of a primary residence if owner is absent but has a manager or co-host to handle the rentals while the owner is away.
3. For non-primary residences (additional/vacation houses and multi-units without one being the primary residence).

- a. Only allow one vacation/secondary home to be rented out short-term provided the owner has a primary residence in Glendale and a permit is obtained. All additional homes owned by the same person or corporation must be rented out long-term.
 - b. For complexes with between 5 and 10 units only allow 20% of units to be rented out short-term (with permits).
 - c. Only allow 10% of units in a multi-unit apartment complex (over 10 units) to be devoted to short-term rentals (with permits).
4. Allow long-term rental of ADU's that are not on a person's primary residence. Currently by restricting these to primary residences, the long-term rental stock is decreased and investment in more affordable long-term rental stock is inhibited.
- a. Decreasing the fees to build ADU's to more reasonable prices (like some neighboring cities) will also encourage an increase in more affordable long-term rental stock.

These 4 policies will allow responsible property owners of primary residences the flexibility of income generation they need as well as allow first time home buyers (who intend to live on the property they are buying) a source of income to help pay for the ever-increasing cost of homes in the area.

Further, buying single family homes or apartment complexes in Glendale for the sole purpose of investing in short-term rental gains would be greatly curtailed (but not denied altogether) and the rental stock for longer term tenants will increase.

Regarding the commercialization of neighborhoods, I do not believe short term rentals is causing this to happen in fact I think it is doing the opposite. All of my guests are using my home as if I would - they eat at local restaurants, shop at the local stores and often hike in the area. Fueling neighborhood business helps my neighborhood retain it's mom-and-pop atmosphere which I prefer v.s. concentrating all visitors at hotels where they only frequent nearby chain businesses. Hosting individuals or one family at a time in my neighborhood also gives visitors a warmer feel to Glendale as most of my guests often comment on how lovely the area is and how much they enjoyed their stay. I believe they would not get the same feel from a corporate hotel stay which makes their experience less commercialized and more personalized as well.

Thank you for reading my ideas about improving short term rentals in Glendale. Please feel free contact me directly with any questions.

Sincerely,
-Mike Budzik
(818) 281-8908 mobile
spyfilms@gmail.com

Asp, Kristen

From: Ruzanna Gulakyan <ruzanna.gulakyan@gmail.com>
Sent: Tuesday, November 19, 2019 9:10 AM
To: Najarian, Ara; Devine, Paula; Quintero, Frank; Gharpetian, Vartan; Agajanian, Vrej
Cc: Neukian, Yvette; Asp, Kristen; Baghdikian, Chris; Hiramoto, Jennifer; Sanchez, Darlene
Subject: A Proposal for an Economic Development - STRe

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Dear Mr Najarian, Ms Devine, Mr Agajanian, Mr Quintero and Mr Gharpetian,

I can imagine there have been times when you would all wake up in the middle of the night, unable to get back to sleep. Well, since that is what just happened with me, I would like not to waste those precious hours and share a few thoughts with you all. The reason I do is because I care about your city. I call it Yours for now, because I am not a registered voter yet, in case some of you prefer to read no further. I can honestly say though that I care genuinely about this city, which is why I thought to share some additional thoughts with you. It won't be too difficult for me to sell whatever small assets I have accumulated here and move back to England, but I would rather stay and I chose Glendale to make a difference in.

This past Sunday I was at an urgent care centre in Glendale for a couple of hours. I have never been to one and nothing was wrong with me. When the doctor called some stranger in, he asked me to accompany him in. He was not my friend, my family member, not even a neighbour, some Berkeley student, also a Caltech and Harvard grad. Then after taking some pills, he felt better, he invited me to share a dinner at an Ethiopian restaurant I have never been to and offered me tea in a beautiful sky lounge that I didn't know existed. Yesterday morning I received a thank you message that said Շնորհակալություն, կրկին հասեցեք...then I responded in Hebrew because he was Jewish Canadian. I have been to his city Toronto before but he has never been to Armenia and now a new country appeared on his

bucket list. He later asked what my plans were for Monday and I couldn't help but share that I was planning to attend the City meeting on banning Airbnb.

Ms Neukian, Ms Asp and Mr Baghdikian, thank you so much for your hard work and efforts last night to hear from the local hosts. Even though you must have received some input, but I am sure you may agree that it was certainly not enough time to hear from everyone and regretfully I didn't get a chance to speak despite following a protocol of a raised hand for a permission. You all work for the City, you could never see yourself clean a toilet for a complete stranger, would you? I didn't see it either. I worked for my country overseas too, represented high profile diplomatic, educational and international organisations, but that's what I did when I first came to Glendale. It is Not easy. Certainly, it is expensive to live here, but would you ever know what really home sharing is until you clean a toilet for a complete stranger? Now I am not suggesting that you do that at all. I am sure you are all well established here and have beautiful homes and beautiful families to go to, but I had nothing and no one here and I knew it was a temporary medium to support my higher aspirations in the future.

Mr Mayor, Mr Agajanian and Mr Gharpetian, if you charge someone like Ms Neukian or Ms Asp to come up with regulations banning short term rentals, then they will come up with regulations banning short term rentals, it's really that simple and these are the words we heard at the meeting. What caught my attention was the stack of papers that looked like Մասնյալն Ողբերգությանն. It was supposed to be a description of a problem and a proposed solution. I have been charged to produce reports and regulations in the past too, but let me ask you please, is it not customary here in this city to base any findings on evidence at all? There was absolutely no single evidence brought to showcase a problem and further, all the reports seemed to be based on assumptions.

Well, respectful ladies and gentlemen, the reason I am taking my time to write to you is because it would be such a shame for this beautiful city to

draw any conclusion based on assumptions and personal opinions. This is more than a regulation, it is more than a report and certainly it would be an insensible approach to regulate or restrict it at such an early stage without any insight into the matter. I am sure most of you have children. They are probably perfect, but imagine for a moment your child misbehaves, perhaps under a wrong influence, uses alcohol and drugs. Let me take a guess for you all, your first response is... to get rid of your child, so that's what you do. You just open the door, throw him/her out of the house and never ever see them again? Well if the answer is yes, I guess you may read no further. If you are willing to perhaps talk to your son or daughter, to figure out what's going on, I commend you. That's what real people do and that's what a Council that cares about their people would do.

Mr Najarian, I am delighted that the LA County generously included a one million dollar budget for Glendale. My guess is not only Glendale is a city that is so much admired (no wonder Edward Emery called it a Jewel City), but it is perhaps seen as a hidden gem. For those of you who are not familiar with the concept, a hidden gem is an idiom meaning something which is extremely outstanding and not many people may know about. The latter is what I would like to draw your attention to. Cities like Santa Monica or Malibu are not hidden gems for example, because they are not hiding, they have beautiful beaches tourists intentionally plan to go to. Glendale does not have access to a beach or disneyland, but one thing it does have that has a huge potential to impact the growth of the city, is experiences. This city has wonderful people and cultures and it needs to be displayed and promoted. What is an experience? Experience is a feeling. You can visit Galleria and buy a pair of shoes, that's a product. You can take a stranger up to Brand park, driving up the famous boulevard while sharing a piece of history about Leslie Brand before you reach a beautiful El Miradero, resembling a 1893 East Indian Pavilion. This is an Experience. It is different from a product. You immerse in cultural experiences and leave it with lasting impressions.

Without boring you about tourism and economics, I would like to assure you that experiences are a much more powerful way of stimulating an economy, than products. This is what the research shows. Experiences generate feelings, they connect people and not only create long-lasting connections, but showcase cultures and traditions that are so much needed in this beautiful city. This is so essential to ensure Glendale no longer hides out there and longer term there won't be millions of dollars of investments required to promote the city and drive traffic in. It will be self-sustained and it will be better than a resort. I keep getting text messages from a random guy from El Salvador and the message is always two words "At Capital". This means "I am at Capital One Café near Americana, please take your chess board with you so we can play a game". At times the message says, "At Capital, just one game, I promise". Well, I cannot really reply every day, but one thing I wanted you to consider ladies and gentlemen, is that there are many people in your city that feel lonely, alienated and hungry for sharing experiences. You may have been living here for decades, but there are so many people I meet on daily basis that have no one to go to and no one to share feelings with. There are people who cook well, they can host experiences for cooking, some are good at arts and crafts (library provides amazing resources), they can teach people how to make seasonal candles for example, some are great with music, they can teach duduk to someone that has never heard that name; we have a neon art museum people rarely know about and the list goes on...

Mr Najarian and Council members, the reason I am writing a long and lengthy message is because I would like to ask you all to consider STR a matter for an Economic Development Department. All I am asking you to do is basically not to get rid of your children and listen to them, surely they have an opinion too, listen to what's going on, go for a walk with your kids, talk to them, you won't regret it I am sure, because when the old age hits you all, you will have someone to take care of you and you would be glad you didn't just kick them out. Cities are growing too, they are expanding and Glendale is expanding pretty fast from what I have seen

in the last couple of years. It is not all about having fancy hotels and fighting with each other with regulations or trying to tax for as many things as possibly. The Airbnb meeting last night is something I appreciated but it sounded like “Come here, son, I want to tell you something important. I have packed your bags and here is your toothbrush, the car is waiting downstairs, do you have any last words to say before I kick you out of the house?”. Well, I can assure you all, you will hear a four letter F word... and probably once again, it is not what you think. “Fine!” and off they go.

Mr Mayor and Council members, I know Jennifer must be inundated with the RFP preparations after the SF trip. I would just ask you one thing, to take a broader look at Glendale in line with the exciting proposals to make it the next Silicon Valley. Hosting is not a commercial activity and neither it should be categorised as a short term rental. No one attending the meeting last night was a bank, a corporation, a business or any other for-profit organisation. We are one of your constituents and we want to help you build a better city and promote what we have to offer. I shared my thoughts with you before on Airbnb and other matters. Even though Glendale’s population is predominantly Armenian and Hispanic/Latino, the only two Armenians I hosted in the last two years were both from the Mayor’s office, completely by accident, here to meet with one of you. Last week was the only time I have ever helped iron a stranger’s pants, because they happened to meet with one of you and I genuinely felt compassionate hearing Տենցել շալվար արդուկել շսվորեցի էլի... Hundreds of people from all around the world from remote areas come to Glendale and stay at real homes, interact with real people that care about strangers and promoting the city. It is hosts who bring the to Glendale by showcasing their hospitality online and it’s not a matter of coincidence. Hotels will never offer services that the hosts do. Hotels offer products, Airbnb offers Experiences.

Here is my main point, STRs should not be regulated at this time, STRs and particularly Airbnb should be encouraged and rewarded in Glendale

and more people should be asked to open their homes and share experiences (it could be local walking tours, bike tours, brewery/bar/restaurant crawl, sharing any passions, teaching a new skill, playing games and so on), anything that would support engagement between tourists and the local people and businesses. A trustworthy review based platform such as Airbnb (no other platforms offer comprehensive review system both by hosts and guests than Airbnb) should be chosen as a dominant or only platform to host at because Airbnb also offers experiences <https://www.airbnb.com/s/experiences>. My only suggestion for STRs would be not to allow self checkin unless absolutely necessary (and if so, have a live video comms to talk to the guests). Self checkin is a process where the host leaves a key somewhere and sends instructions to the guest to pick up the keys and enter their home. In my opinion this turns an STR from an experience into a product. The host or an assigned representative should always meet people and talk to them to make them feel welcome, to introduce them to their homes/history and to a new city.

All hosts should be asked to offer experiences as basic as walking tours or perhaps sharing a meal together with guests or taking them to a local café/bakery at a convenient time. My impression is strangers are only perceived as dangers when they remain as strangers. Any of you may use Airbnb to travel anywhere and you can be equally perceived as a dangerous person, you all risk hosting parties and you all risk trashing someone's home, would it be fair for me to assume this even though you work for the city? But any host can and they will if they choose to. My experience shows that responsible hosts prevent any and all possibilities that something could go wrong and will go wrong, it's a long story but if you wish to know about ins and outs of hosting, you have to speak to hosts instead of making assumptions. It is really not as easy as you think, and there is no any easy profits in any hosting activity, I can assure you, it requires a lot of hard work and dedication and it is extremely hard to maintain five star ratings to still be able to operate. If you have not read some of my earlier messages about the natural selection process, please

do. I am sure you have learned from your experiences that it is better to trust people than not, I always say “what is expected is realised”, meaning if you expect bad things from people, you will surely look for it and find it, but how about expecting good, treating people good and receiving good instead?

My other suggestion is to prevent corporations from renting multiple apartments for the sole purpose of engaging in a short term rental activity and profiting without paying taxes. This is what has been taking that “feeling” away from the experience of home sharing or opening your doors for single families on vacations. As soon as this view is adopted, many hosts in cities like Glendale can turn into hotel operators which I believe has been the reason for so many large cities to introduce regulations.

Mr Mayor, Council Members and City planners, since I have already been typing for a while (it looks like a couple of hours), I just wanted to conclude with a few points, but if you would like to receive additional feedback from hosts, which I would highly encourage you to, please speak to hosts instead of making assumptions. Yesterday was the only time the city spoke to the hosts and it is not fair on us and neither it is fair for the future of the city and your constituents. Glendale is not like any other city in the LA County for aforementioned reasons and I believe we should think differently about addressing challenges. I am really pleased that the City has obtained a few acres of land including parking spots to build affordable housing on. I do my best to keep up to date with the news. Airbnb however, as agreed at the meeting, is not competing with any of the markets mentioned, taking away homes from low income people or competing with hotels. This is simply a misconception. Airbnb hosts are entrepreneurs with higher aspirations and goals and they care about the city. Listings, which can easily be found on [Airbnb.com](https://www.airbnb.com) are people’s homes and they are not hotel rooms. All house rules are clearly listed, community rules clearly explained and procedures followed. Furthermore,

Airbnb has the best customer service, please feel free to make a call and talk to a human being.

On the last note, I can't help but mention, if you request any information from Airbnb about hosts or their listings, chances are, there won't be able to provide any information for a reason that it is against privacy laws. Likewise, if there are regulations that apply to hosts, it would be extremely challenging to obtain any information from any source. Listings can be enabled and disabled with a matter of a click, the platform provides supreme protection for hosts as well as guests. Hosts would always be encouraged to open up their homes and it would be very challenging to force Airbnb to close any listing if there are no significant reasons. Hosts cannot be encouraged to apply for licenses because it would be seen as opposing privacy laws, it would be discouraging and unfair. In response, hosts will chose to stay on the platform and continue the way they operate. It would be almost impossible to hold hosts responsible if the City adopts a fight or flight response. It would be extremely challenging to monitor or control future activity because an entire police department would be needed to do investigations. In result, Airbnb would turn from a seemingly beautiful cultural exchange experience to criminal investigations that could be very costly for the city.

Here are my suggestions:

1. Raise the awareness of home sharing and vacation rentals in the City of Glendale, promote benefits of hosting in private rooms, holiday homes and sharing experiences with tourists (paying a mortgage, covering for home improvements, new connections, new experiences, free holidays, where the guest invites you back to their home country, appreciation words, letters, presents, dates, dinners, anything is possible! I removed my profile picture after a Saudi guest went on a conference call with his mum shortly after checkin saying he found a perfect bride, he wasn't joking, but I forgave him for putting me on camera).

2. Encourage Glendale residents to open up their homes for travellers around the world, be it home sharing or vacation rentals when they travel out of country. Include this mission in the Economic Development Planning proposals. Vacation rentals are not as bad as you might think. People do go out of the country sometimes and they prefer to cover their hotel/Airbnb stay costs by allowing tourists to stay in their homes, like Cameron Diaz does a home swap in the famous movie. It's ok to meet the guests and then fly out somewhere, or ask your neighbour to check them in and check on them every now and then if they are cooperative...

3. Encourage Glendale residents to offer experiences for travellers around the world and include this in the Economic Development planning proposals. <http://airbnb.com/experiences>. Many other platforms like Expedia and Groupon offer such feature too. Assign one of those entrepreneurs winning a share of the 1 million grant to go and knock on people's doors. A lot of people do not know they have a talent. A lot of people do not appreciate their talents or know how to use it. Those elderly parks where people play nardis, have some unaccomplished dreams and ideas that die with people. Engage people and educate them on how they can make a difference in their community. People get depressed, stressed and lonely because they do not feel useful for the community, they do not feel they matter. It is extremely easy to create listings, but many people, especially more senior community members don't know what they don't know. An entrepreneurial young student can help manage those listings for the less experienced. This would create synergy in the community.

4. Encourage Glendale residents to host only on platforms that are unbiased, review based, with comprehensive and conclusive host and guest protection that only Airbnb offers (which is why I will never list on platforms like VRBO or booking.com that allow taking cash from people and copying their passports, not bothering to ask for feedback and implementing little or no improvements. Airbnb operates professionally, hosts appreciate it and stay

loyal). Airbnb also has the best quality assurance system, as they will cancel suspicious reservations within a few minutes of booking.

5. Introduce No Regulations at this time. The reason I say at this time, is because, think about it, would you tax 300 hosts now and discourage them to have that number drop down to 100 next year or would you wait for one or two years and tax 3000 hosts and see that number grow over the years? You would also have additional information and better understanding of the landscape for hosting and sharing experiences instead of making assumptions or reading research about other cities that do not seem to apply to Glendale at all. Why would the economic development division provide free office space for people to develop Technology as the City plans to take away the space that could be used to develop People? Do we really need more technology or do we really need to utilise the existing technology to help people? Soon enough you may start to realise that we are not using the technology, but the technology is using us.

6. Eliminate large conglomerates that simply rent and sublet properties in Glendale for the purposes of making profits as opposed to sharing homes and experience for tourists. This takes away the personal touch, this turns Airbnb into a hotel in this small city, it can get out of control with parties and then somebody would surely charge a planner to ban short term rentals without needing any evidence at the expense of all other genuine hosts that care about their city and use all the profits to invest back to their homes in Glendale, renovate furniture and appliances. It is not as difficult to find out who treats Airbnb as products. Instead of asking Airbnb and receiving no response, you could just go to Airbnb/com and see who has more than 10-15 rentals in Glendale alone. I must say that the number of listings do not account for the number of rentals. Someone may have one home and 5 rooms in the home so that could be 1 rental and 5 listings, pictures could be checked for research, but if one person manages too many properties within the city of Glendale, then it can get out of hand

and turn into a business instead of the experience. Also it is worth paying attention to calendars and availability. There are so many listings that are active but all calendars are blocked meaning they do not really account as rentals or listings. Some people like me can only manage one or two, but there are people who may have family members helping out, and they are able to host in more places, so it is different. My guess is over 10 in a small city like Glendale makes it look like a hotel operation.

7. Eliminate self check-in and encourage experiences that can be booked in conjunction with the Airbnb stay. It could be a short hike, it could be a walking tour of the city, maybe someone paints and teaches tips and tricks, maybe arrange to meet for breakfast at Portos and so on. Guests pay for experiences and booking a \$10 experience would be nothing for a guest who wants to stay at a \$150 a night home (hosts list it and send a link to the guests, search names of different cities on [Airbnb.com/experiences](https://www.airbnb.com/experiences) to have an idea), an additional profit for the hosts, a genuine cultural exchange and a peace of mind for the city council that hosting affects the community negatively. During any communication, let's say a host has a nosy neighbour, don't you think that they will mention it and give some useful tips? They would however not include this in house manuals. Let's say the guest was planning to host a party for whatever reason and the host elaborates on a similar experience that was completely unacceptable and changes their mind. The reason for eliminating self checkins could be as simple as knowing who you are handing your keys to. Homes are not like hotels and if you or another dedicated person take people in, show around and say, oh and here is my family picture, we come from somewhere... this just changes the whole scene. This is my suggestion. Regulating STRs will not make positive changes, personal touch offered by hosts will.

8. Raise awareness of challenges involving hosting in homes and sharing experiences, collect evidence. Let's say you add an E to STR, make it a short term rental experience, STRe. An article goes out in newspapers and people become aware of

hosting STREs while protecting their communities. You offer your constituents to be mindful of sharing homes and experiences, you encourage them to report ANY NUISANCE to the police or a dedicated line under STRE. All reports are classified under the STRE, the police department has EVIDENCE that there have been so many cases of reports and here is an evidence. Next year in December you all come together like you will on December 10th 2019 and have Evidence to work with. The meeting showed there were 1500 complaints in Glendale and only 3 of them had the potential to involve a short term rental. This is called listening to your kids and hearing what they have to say. Now you don't have their bag packed and ready to throw them out. You listened to them and heard their point of view, you expressed your opinion and got them agree with you, you made a decision to work together for the common good that changed the fate of your child and the future of your city. This is when you will hear "Fine" as a response and it will not sound as a four letter F word, but it would be a fair decision for all, whatever that may be, supported by evidence.

Have a great day and thank you all for your hard work.

Ruzanna.

Asp, Kristen

From: Mike & Ilda Malajikian <malajikians@gmail.com>
Sent: Wednesday, November 13, 2019 2:53 PM
To: Najarian, Ara; Quintero, Frank; Asp, Kristen; Devine, Paula; Agajanian, Vrej; Gharpetian, Vartan; Kassakhian, Ardashes
Subject: Letter from a Short-Term Rental Host

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Dear Mayor Najarian and Honorable Councilmembers,

As a short-term rental host in Glendale, we are reaching out to you to provide information and express our concerns regarding the currently proposed ordinance for the upcoming short-term rental law for the city.

We are a married couple and own and reside in a single family residence on a large lot located in a very quiet and beautiful neighborhood of Glendale. In 2015, we applied the city for permits and built a 499sqft 1BR guest house in our backyard to accomodate family and friends during their visits to us. When the guest house is vacant, we have been renting it out to short term visitors on AirBnB, which has been helping us cover part of our high property taxes and utility costs and allowing us to continue living in such a beautiful community.

We screen our guests in depth before accepting reservations. Most of our guests consist of elder couples visiting their adult children who live in the area or business people travelling to the area short term. Many of our guests are regulars because they enjoy the privacy and tranquil setting and amenities we provide to them. We are always on site during their stays and are particularly careful to avoid any noise or disturbance to our neighbors. In our past four years of hosting, we have not received a single complaint from our neighbors.

Since our guest house does not have a separate street address or separate water/power meters and we use our guest house for family/friend visits as well, it is not an option for us to rent it out on a long term basis. This is why, putting it on the short-term rental market does not create a loss on the long term housing opportunities in Glendale.

We are kindly requesting to be allowed to continue hosting our guests in the future and not having any caps on the number rental nights, which would mean that our guest house would have to be vacant during the rest of the year and cause us hardship to cover our high costs.

To date, all of our short-term rental income is being reported in our federal & state tax returns. In the future, we will be happy to register with the city and collaborate with the city to collect transient occupancy taxes from our guests, however we kindly request the registration fees to be waived or to be kept at a nominal amount in order to avoid economic hardship for us.

Finally, we would like to emphasize that our short-term rental operations are not aimed to be business profits, but rather, a means of covering our high costs for the privilege of living in such a beautiful city.

We thank you for taking the time to review our concerns and hope you will consider them in your upcoming short-term rental law decisions.

Sincerely,

Ilda & Mkrtych Malajikian
Malajikians@gmail.com

Asp, Kristen

From: Ruzanna Gulakyan <ruzanna.gulakyan@gmail.com>
Sent: Wednesday, November 06, 2019 6:39 PM
To: Najarian, Ara; Quintero, Frank; Gharpetian, Vartan; Agajanian, Vrej; Devine, Paula; Asp, Kristen
Subject: Ինչու է աղմկում գետը

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Dear Glendale City Council,
Your Excellency Mr Najarian,

Reaching out to you again regarding the proposed changes for Airbnb regulations in Glendale. I would be pleased to help you with any information you may need to make a more informed decision for the community and everyone concerned. I would also be happy to invite other hosts to participate so that any questions or concerns regarding Airbnb by the City Council members are clarified. I am happy to volunteer my time and resources for this reason since the next meeting is planned to take place on 10th of December 2019.

I want to let you know, respectful Council Members that only a handful of hosts have been made aware of the proposed changes. I hope that people still matter, even if they do not own a local hotel, in which case the impressions from the Airbnb platform would certainly be misconstrued. It is my understanding that the City Council has always acted in the interest of its people. To plan discussions and make decisions on the impressions of a few individuals with conflicts of interest would be very disruptive to the community and generate negative feedback. To avoid this, I would like to propose delaying consideration of those regulations until additional input is received from the community.

Mr Najarian, the work you do for this City along with your team is incredible and surely appreciated by residents like me. It has been a pleasure seeing you and many of the Council Members supporting the enterprise communities, high fiving you at the Health Festival the other day and getting you water at the tech week party in gratitude. Your residents love this beautiful city and the work you do in protecting it. I am sure you will all agree that setting standards or regulations require a through research. If you ask any Council Member, Ինչու է աղմկում գետը, they will surely have the answer for you, but who determines whether it is right or wrong, conclusive or partial, true or false? How about asking Աթանես Ղամբարյան? There are people on both sides of the river and I encourage you to get opinions from all sides before considering any decision on this matter.

I want to also let you all know that Ինչու է աղմկում գետը when it comes to Airbnb can be completely cured. As a super host for almost two years I know ins and outs of hosting as I am sure many other hosts do. I personally care about my home, I care about my community, the building my home is in and how people treat the space, respect the rigorous house and community rules, etc. I do not own it, I lease it, but it doesn't matter for me. The decisions people make while hosting on airbnb could be crucial when it comes to impressions it makes on the community. None of my neighbors even know that I have been having guests. There have been no disturbances or nuisances throughout my entire hosting experience. I allow travelers to stay in private rooms with en-suite bathrooms in two bed two bath apartments, I have access to the apartment any time and ensure all stays go smoothly. There are shared spaces that make people conscious of their actions and behavior. This is my choice, not

that I doubt people, but I have been completely new to the city and the culture or hosting. There are inspiring messages, journals and books all around to make people feel like they actually leave their mark at home. I meet people personally and treat them like royalty. They get to see how I take care of the space, how I treat them with respect and I always get the same attitude back from everyone. Many people around the world learned aspects of Armenian history and culture, tasted delicious local foods in restaurants, that I have recommended in my detailed house manual, some tried my homemade dolma. I have regular conversations with people every day and it has really been a delight for me to be able to share and care (landing in a new city all alone with a couple of suitcases exactly two years ago and wanting to change the world from onset). People staying at Airbnbs are no different from those walking on your streets every day. Hosts opening their doors are also no different from those walking on your streets, I just ask you to listen to their opinions too.

Please ladies and gentleman, take a new look at introducing any regulations by hearing from other hosts. There are things that work, there may be things that can be improved, I cannot speak for others, but how would we know without even listening to what hosts have to say? I would highly encourage to look at hosting as a cultural exchange and attempt to make improvements to the quality of the culture instead of making snap decisions cutting out dates in the calendar, restricting hosting or deeming it disruptive. Glendale is a different city and I really hope you will adopt a different approach to this matter.

Thank you for reading thus far. I appreciate your time and the great work you do for this city.

Ruzanna.

Asp, Kristen

From: Sarah Tacoma <sarahtacoma@gmail.com>
Sent: Friday, October 25, 2019 9:51 AM
To: Quintero, Frank; Agajanian, Vrej; Devine, Paula; Gharpetian, Vartan; Asp, Kristen; Najarian, Ara
Subject: Airbnb - Open Homes program - houses people evacuated for fires for free

CAUTION: This email was delivered from the Internet. Do not click links, open attachments, or reply if you are unsure as to the sender.

Dear Glendale City Council

As we are knee deep in fire season and with the Tick fire raging - I wanted to let you know about a program we participate in with our space through Airbnb. It's called the Open Homes program and we can turn on (and off) our space for free for people displaced by national disasters.

This will be the 2nd year we have opened our space to house people who are being evacuated from the fires. There's no other program like it that can match up locally displaced residents with housing at no cost to them. It really brings local communities together.

Just wanted to share another amazing aspect of Airbnb that benefits Glendale.

Thanks

Sarah

Asp, Kristen

From: Steen Hof <steen.hof@hotmail.com>
Sent: Wednesday, October 09, 2019 5:01 PM
To: Asp, Kristen
Cc: Kassakhian, Ardashes
Subject: Proposed Short Term Rental Ordinance

CAUTION: This email was delivered from the Internet. Do not click links, open attachments, or reply if you are unsure as to the sender.

Planner Asp,

Thank you for the work you do for our city.

A group of hosts got together in the La Crescenta area and learned there are a surprising number of area hosts who are extremely concerned about Glendale considering a ban on vacation rentals and home sharing. Some rely on short term rentals for their income and others use it as a fulfilling culturally diverse hobby in retirement (my Mom included in this group).

I am a concerned citizen who relies heavily on short term rental income myself. My home in Glendale is meticulously cared for and our house rules are very strict to protect the home and our neighbors. No visitors are permitted, no more than two people per bedroom, clearly visible cameras are in operation outside for enforcement and a noise alert system is also in place. We have great guests but take the rules very seriously. Never have we had a complaint. I wish all hosts were required by law to take these steps.

I know "party homes" are a big concern, which is understandable. I have lived next to one myself. I wish in that case the City (LA at that time) would have taken action to punish the home owner instead of me just calling in noise complaints every few days on a new group of party goers. Under LA's new Airbnb laws that are about to go into force, that home would have lost its permit to operate after a couple of police citations (there have been many for that house in question).

At the last council meeting on this issue the Police Department spokesperson had said their only comment was that three party houses were a known issue and that they had no comment beyond that. Punish those three homes, not all of us with a sweeping law affecting the entire City.

Please, I urge you to consider a compromise and punish routine party house owners like LA is about to but not all short term rental operators. We are happy to compromise but an outright ban would be catastrophic for many of us. In my case, I will have to sell.

I know affordable housing is an extremely important issue in California. In this instance I urge the City to find out how many full units are being removed from the rental market. My Mom's listing renting a bedroom in her home is not removing housing stock. She loves hosting but would not get a long term roommate for the fun of it in her retirement years. City Planning in conjunction with Airbnb Inc. can determine or estimate **how many rental units are removed due to Airbnb-** not just odd bedrooms here and there. I think you will find the number is very small, **likely well under 400 units in a city of 200,000 residents.** A ban on short term rentals would be catastrophic to an engaged few like myself and the rest of us that met up to join forces on this

extremely important issue - but its affects on housing are minute based on my review of all of the Glendale listings. Glendale has not enforced Airbnb since the company started in 2008 so if some huge influx of activity were to pick up - it would have happened already. Implementing smart regulation is not going to spur a big uptick in units being removed.

Please suggest ordinances based on actual data tackling the problems at hand. Please point out the TOT that the City could be collecting directly from Airbnb/HomeAway. I am extremely confident housing affordability in Glendale would see nearly no improvement if an outright ban is passed. I also know party houses are a problem and can be combated with strict regulation. How about three strikes you are out rule? What host would not be on top of keeping their guests in line if they risked their entire business in the event of rowdy guests? No good host that deserves to be in the business in the first place ...

Please understand for our host community here in Glendale this is a crucially important issue and we urge you to implement smart regulation instead of a misguided ban. Consider the quality of life and housing affordability issues at hand and if an action will have a desired and meaningful impact. An outright ban instead of regulation will certainly harm the Glendale host community.

Thank you for taking the time to read my email.

Derek Hof



**CITY OF GLENDALE, CALIFORNIA
REPORT TO THE:**

Joint City Council Housing Authority Successor Agency Oversight Board

September 10, 2019

AGENDA ITEM

Public Hearing: Consideration of Ordinances amending Titles 4, 5 and 30 of the Glendale Municipal Code, 1995, and General Plan Amendment to the Downtown Specific Plan (DSP) to prohibit vacation rentals, and permit and regulate home-sharing (Zoning Code Amendment Case No. PZC 1911458 and General Plan Amendment Case No. PGPA 1911459).

- 1) Ordinance for introduction amending Titles 4 and 5;
- 2) Ordinance for introduction amending Title 30;
- 3) Ordinance for introduction amending the Downtown Specific Plan (DSP);
- 4) Resolution Amending 2019-20 Citywide Fee Schedule by Establishing Home-Sharing License Fee;
- 5) Resolution Amending 2019-20 Citywide Fee Schedule Re: Administrative Citation Fine Amounts;
- 6) Motion Directing Staff Regarding Future Amendments and Enforcement Policy.

COUNCIL ACTION

Public Hearing <input checked="" type="checkbox"/>	Ordinance <input checked="" type="checkbox"/>	Consent Calendar <input type="checkbox"/>	Action Item <input type="checkbox"/>	Report Only <input type="checkbox"/>
Approved for <u>September 10, 2019</u> calendar				

ADMINISTRATIVE ACTION

Submitted by:
Philip Lanzafame, Director of Community Development

Prepared by:
Kristen Asp, Principal Planner
Chris Baghdikian, Senior Planner

Approved by:
Yasmin K. Beers, City Manager

Reviewed by:
Roubik Golanian, Assistant City Manager

Michael J. Garcia, City Attorney

Signature

[Handwritten Signature]

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Yvette Neukian, Senior Assistant City Attorney

Bradley Calvert, Assistant Director of Community Development

Erik Krause, Deputy Director of Community Development

Michele Flynn, Director of Finance *Michele Flynn*

Yvette Neukian
BC
Erik Krause
Michele Flynn

RECOMMENDATION

Community Development Department staff recommends that the City Council review the Council-initiated proposed amendments to Titles 4, 5 and 30 of the Glendale Municipal Code, 1995, and the General Plan Amendment to the Downtown Specific Plan (DSP), to prohibit vacation rentals, and permit and regulate home-sharing, and introduce the ordinances as recommended by the Planning Commission. Staff also recommends that the City Council review the accompanying resolutions setting a home-sharing license fee and adding administrative citation fine amounts for violations of the ordinance.

BACKGROUND/ANALYSIS

Council initiated amendments to the Zoning Code and other sections of the Glendale Municipal Code following two staff reports brought to Council by the City Attorney's Office (with input from the Community Development Department) seeking policy direction to allow, prohibit or regulate short-term rentals ("STRs") (rental of all or part of a property for thirty consecutive days or less as either vacation rentals or home-shares). Following the first Council meeting on December 13, 2016, in which STR activity was discussed, Council directed staff to return at a later date with further information, due to the uncertain legal landscape of local regulation of STRs (several lawsuits by Airbnb and others were pending against various cities). On October 2, 2018, staff returned with updates as to the results and progress of the myriad of pending court cases, as well as further information regarding pending and enacted regulations of other cities to address STR use in their city. Following the staff presentation of the report, and following public comment, the Council initiated code amendments to:

- 1) Ban vacation rentals citywide;
- 2) Allow home-sharing but with a cap on total number of days per year;
- 3) Enact a required license and/or registration process for home-sharing;
- 4) Reaffirm and implement the requirements for the payment and collection of transient occupancy taxes on home-sharing transactions (including negotiation and execution of tax collection agreements with short term rental online platforms); and
- 5) Enact appropriate remedies and penalties for violations of this code, including, but not limited to, criminal prosecution, civil action, administrative cost recovery, administrative citations/administrative civil penalties and/or other costs, fees or fines.

As detailed in the October 2, 2018 report to Council, Glendale's Zoning Code does not expressly address the legality of STR activity, as such the use is not specifically defined. Although the Zoning Code states that a use not expressly permitted by the Code is prohibited, a reasonable interpretation of the Code is that STRs are a type of "residential use" permitted by the Zoning Code in many zones, particularly since the Zoning Code is silent regarding renting properties on a short-term basis. Also, most STRs do not qualify as hotels/motels, as defined in the Zoning Code. Conversely, under Chapter 4.32 of the Code, the City is authorized to collect transient occupancy taxes ("TOTs") from STRs, as these rentals do fall under that chapter's definition of a

“hotel” (under Section 4.32.020’s definition); the City has chosen, however, to refrain from enforcing such a tax due in large part to the questionable legal status of such rentals citywide until the City Council provides further direction.

As previously discussed in 2016 and 2018, it is not surprising that the Zoning Code does not address STRs as a specific land use since such use, at least at the levels seen today, is a rather recent phenomena that has grown exponentially in a relatively short time due to the advent of Airbnb, Homeaway, VRBO, and other internet hosting platforms. Due to this rapid rise in STRs and the negative secondary impacts that are currently affecting Glendale’s population, particularly in residential neighborhoods, Council directed staff to initiate Code amendments to specifically address such activity.

Since Council began discussing this matter in 2016, it has become even clearer today that STRs are here to stay, as more and more property owners find the practice lucrative – often more lucrative and appealing than renting out the property on a long-term basis. STRs thus continue to be a very fast-growing business, and they bring with them many benefits and burdens to a community. While they provide a range of rental units and sizes able to accommodate large groups at a price that is often a better value than a hotel, and a convenient booking system desired by both host and guest, they also may in some cases threaten the residential character of Glendale neighborhoods, and pose potential noise, parking, and sanitation impacts upon established neighborhoods, with associated concerns related to safety and enforcement. Complaints about STRs currently in operation in Glendale neighborhoods have increased over the years. Furthermore, studies have suggested that STRs may decrease affordable housing options in the City by removing units from the housing market. Some of the pros and cons of STRs, as well as challenges a city may experience in trying to enforce or implement an STR ban or regulation, are summarized in the October 2018 staff report to Council, attached to this report as Exhibit 3 (pages 3-4).

As staff informed Council in 2018, several hundred STRs are currently listed and operating in Glendale, in varying degrees of frequency. Any ordinance banning STRs without allowing for a period of time to wind down the use may allow an operator to successfully argue they acquired a vested right to operate (also known as a legal non-conforming right) that could not be extinguished absent a reasonable amortization period. Any vested right “is subject to the qualification that such a vested right, while immune from divestment through ordinary police power regulations, may be impaired or revoked if the use authorized or conducted thereunder constitutes a menace to the public health and safety or a public nuisance.” Highland Development Co. v. City of Los Angeles, 170 Cal. App.3d 169, 186 (1985). California cases have firmly held zoning legislation may validly provide for the eventual termination of nonconforming property uses without compensation if it provides a reasonable amortization period commensurate with the investment involved. Castner v. City of Oakland, 129 Cal. App. 3d 94, 96 (1982). Moreover, “[t]he party complaining of the zoning legislation has the burden of establishing the unreasonableness of the amortization period and must provide evidence showing the particular period is unreasonable as to him.” City of

Whittier v. Walnut Properties, Inc., 149 Cal. App. 3d 633, 644 (1983) (respondent did not meet burden of showing a 120-day amortization period was unreasonable).

The Title 30 ordinance for introduction contains an amortization period for existing STRs of approximately five and a half months. The ordinance and the fee resolutions are written to become effective 30 days after adoption, but existing vacation rentals and existing home-sharing activities have until March 31, 2020 to comply with the new ordinance (existing vacation rentals must terminate, and home-sharing uses must obtain a license).

Planning Commission Review and Recommendation

Staff completed the necessary amendments pursuant to the Council's direction (see Exhibit 2, Council Motion) and scheduled a public hearing before the Planning Commission, on July 17, 2019, for review and recommendation of the Title 30 amendments and the General Plan Amendment to the DSP. Staff also included for informational purposes only the other non-Title 30 amendments, which contain the bulk of the actual regulations related to home-sharing but do not require the Planning Commission's recommendation. The Planning Commission did not make a formal recommendation on the non-Title 30 amendments since it was not in their purview, but did review those amendments informally and provided general comments.

The Planning Commission recommended unanimously that Council adopt the Title 30 zoning ordinances and general plan amendment. The Planning Commission also informally recommended that the Council consider one optional amendment to the Title 5 amendments: pursuant to public testimony at the hearing from a resident requesting that a short term rental use be permitted in a dwelling on a property containing two (2) dwellings, where the owner resides in one of the dwellings and rents the other dwelling short term (which will be prohibited under the proposed ordinance as a "vacation rental"), the Planning Commission directed staff to consider this request as an option. This option is discussed in detail below and proposed language to include this option in the ordinance is set forth in Exhibit 5.

Proposed Title 30 Amendments and General Plan Amendment to the DSP

In sum, the ordinance amending Title 30 defines "home-sharing" and "vacation rental" in the Zoning Code, and through inclusion of home-sharing as a new accessory use in the land use tables, clarifies that a vacation rental (defined as "an accessory use of a dwelling for the purpose of providing temporary lodging, for compensation, for periods of thirty (30) consecutive days or less, whereby no host lives on site throughout the guest's stay") are prohibited, but home-sharing (defined as "an accessory use of dwelling for the purpose of providing temporary lodging, for compensation, for periods of thirty (30) consecutive days or less, where at least one host lives on site throughout the guest's stay") is allowed in all zones where residential uses are allowed or exist. Moreover, as discussed above, Section 30.60.030 (Nonconforming Uses) contains an approximate 4-month amortization period that requires any existing vacation rental to terminate and

any existing home-sharing use to obtain the required license, on or before March 31, 2020.

The ordinance adopting a general plan amendment is necessary because the permitted land use table in the DSP must be amended to include home-sharing as a permitted accessory use in all districts, since all districts in the DSP allow residential uses.

Proposed Amendments to Title 4 and 5

The ordinance amending Titles 4 and 5 contains the bulk of the home-sharing regulations related to the requirement to pay a transient occupancy tax (TOT), detailed definitions, operational requirements, enforcement, and penalties, as follows:

- Section 4.32.020 broadens the definition of “hotel” to include “home-sharing” for the purpose of collecting a TOT.
- Section 4.32.060 relates to the registration of hotels and similar uses for the collection of TOT and is amended to also include “home-sharing.”
- Section 5.100.020 states that a Business Registration Certificate (BRC) is not required for home-sharing (instead, a license will be required as detailed in new Section 5.110.040).
- Chapter 5.110 is a new Chapter containing the bulk of the regulations pertaining to “home-sharing,” as follows:
 - Section 5.110.030 contains definitions related to “home-sharing” activities. This section also defines “vacation rentals” which are prohibited.

“Home-sharing” means an accessory use of a dwelling for the purpose of providing temporary lodging, for compensation, for periods of thirty (30) consecutive days or less, where at least one host lives on site throughout the guest’s stay.

“Vacation rental(s)” means an accessory use of a dwelling for the purpose of providing temporary lodging, for compensation, for periods of thirty (30) consecutive days or less, whereby no host lives on site throughout the guest’s stay.

- Section 5.110.040 outlines the process to obtain and renew a “home-sharing” license. This section also outlines the process for an appeal of a denial or revocation of a home-sharing license.
- Section 5.110.050 contains requirements related to the day-to-day operation of “home-sharing,” including regulations related to secondary impacts such as noise, and prohibitions of specific activities such as loud parties. More specifically, this section caps home-sharing to a total of 180 days within the annual license period, prohibits home-sharing beyond dwellings permitted for

residential occupancy, mandates the maintenance of financial records, and requires minimum safety standards for the dwelling.

- Section 5.110.060 contains regulations related to enforcement actions, allowing the City to enforce violations through the use of administrative citations, criminal prosecution, civil actions, or any other procedure authorized by law.

With respect to the 180-day limit on home-sharing, staff selected this number because it seemed to be a reasonable limit and was the limit originally recommended by the Los Angeles City planning commission. The ordinance ultimately adopted by L.A., which went into effect in July of 2019, provides that hosts cannot home-share for more than 120 days in a calendar year, unless they have registered with the city for “extended home-sharing”, a discretionary approval that allows hosts to rent out residences for an unlimited number of days. It is important to note, however, that L.A.’s ordinance differs from the ordinance for introduction because L.A. does not differentiate between hosted and un-hosted stays, and only requires that the property to be rented be the host’s primary residence, where they live for more than six months out of the year. The City of Pasadena’s ordinance similarly requires properties to be the primary residence of the host (where the host resides for a minimum of 9 months per year) in order to be eligible for home-sharing. Under Pasadena’s ordinance, there is no limit on hosted stays but un-hosted stays are limited to 90 days per year. The City of Santa Monica requires the host to be both the primary resident of the dwelling unit and to live on-site throughout the visitor’s stay, but has no limit on the number of days a host can home-share. Finally, the City and County of San Francisco requires a host to be a primary resident but defines a primary resident as someone who lives in the dwelling unit for at least 275 nights of any given calendar year, as either an owner or a tenant. San Francisco has no limit on the number of hosted stays but a limit of 90 days per year on un-hosted stays. The Council may introduce the ordinances with an amendment to increase or reduce the 180-day limit or completely remove the limit on the number of days, since this is a minor amendment and will not substantially effect the remainder of the ordinance.

Staff did not include in the ordinance for introduction any requirements or prohibitions applicable to hosting platforms such as Airbnb, because Council did not direct staff to include any such provisions. Examples of such provisions include requiring hosting platforms to collect and remit TOTs and/or to disclose information regarding listings upon the City’s request, or prohibiting hosting platforms from listing vacation rentals or home-shares that do not have a home-sharing license. These types of provisions were challenged by Airbnb and others in litigation against the City of Santa Monica and the City and County of San Francisco, but were ultimately upheld as legal by the courts (as recently as March of 2019 by the Ninth Circuit Court of Appeals in the Santa Monica litigation). If Council desires to add such language, it can direct staff to return at a later date with options for Council’s consideration.

Planning Commission Alternative Consideration

The Planning Commission recommended that staff consider amending the ordinance further to account for an additional scenario – that is, to allow the owner of a multi-family residential development to rent, short-term, a dwelling while the property owner resides in another dwelling on the same lot.

As an example, this scenario would occur in a situation where the owner of a duplex or a triplex lives in one of the dwelling units (one of the detached “houses” or attached apartment units), and wishes to rent out the other dwelling unit(s) on the same lot on a short-term basis. Although this amendment would be contrary to the direction given by Council (to ban vacation rentals) and although Planning staff does not recommend this amendment, if Council wishes to add this exception to the ban on vacation rentals, the Planning Division recommends that Council place a reasonable limit on the size of the multi-family residential development that qualifies for such an exception. Staff has drafted language that may be inserted if Council wishes to add this exception.

The benefit of requiring the occupant of a dwelling to share the actual dwelling unit is to maintain control over the dwelling and reduce the potential of a nuisance condition developing. Moreover, allowing the short-term rental of a dwelling where the property owner resides in a different dwelling would be contrary to one of the policy reasons to ban vacation rentals –vacation rentals take dwelling units out of the available housing supply, which studies have shown exacerbates the existing housing shortage.

In sum, it is staff’s recommendation that the Council maintain its original decision to ban vacation rentals without exception. However, if the Council wishes to carve out this exception for multi-family properties, staff has drafted amended language which may be added to the ordinance. Staff’s draft amendment, attached to this report as Exhibit 5, contains a recommended limitation on the types of properties eligible for this exception to those with two dwelling units (duplexes).

Fee Resolutions

In addition to the ordinances, staff also prepared two resolutions: one resolution establishes a fee for the home-sharing license, and the other resolution amends the existing adopted Citywide Fee Schedule to add violations of the Title 5 ordinance as offenses subject to administrative citations. With respect to the fee for the home-sharing license, Community Development Department (Licensing) staff undertook a fee study with assistance from the Finance Department and determined that the reasonable cost to the City to process and issue a home-sharing license would be \$272. A home-sharing license expires in one year, at which time an applicant must apply for a new license. Staff did not propose a renewal process or a renewal fee since the same review process and staff time, and thus, the same cost to the City, would result whether the issuance of the license were to a new applicant or to an applicant that had previously held a home-sharing license the previous year. With respect to the resolution setting administrative citation fine amounts for violations, per Council direction, the fines are

those in the third tier (the highest fine tier), which commences at \$400 for a first-time citation, \$1,000 for a second violation within one year of the first citation, and \$2000 for a third and all subsequent violations within one year of the first citation. Both the ordinances and the fee resolutions would take effect thirty (30) days from the date of adoption.

ENVIRONMENTAL REVIEW

The adoption of these ordinances: (1) are exempt from further environmental review under the California Environmental Quality Act ("CEQA") pursuant to Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15305 (minor alterations to land use limitations), Class 5 Exemption, as the ordinances prohibit vacation rentals and allow home-sharing residential uses in existing residential units as accessory uses with negligible expansion, if any, of the uses, but the ordinances do not allow for or encourage any development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment; (2) are exempt from further environmental review under CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because the ordinances will allow home-sharing as an accessory use of existing residential uses, but the ordinances do not allow for or encourage any more development than is already allowed under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment, and the ordinances will impose regulations that limit the environmental impacts of residential uses of property compared to those currently in place and that of owners and long-term renters, and therefore, it can be seen with certainty that there is no-possibility that the ordinances will have a significant effect on the environment; and (3) is not a project under CEQA Guidelines Section 15060(c)(3) and 15378(b)(4) because, in part, it constitutes a governmental fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Each of the foregoing provides a separate and independent basis for CEQA compliance and, when viewed collectively, provides an overall basis for CEQA compliance.

FISCAL IMPACT

Depending on future policy direction regarding enforcement options, which staff can return to receive from Council at a later date, there may be the need to expend resources dedicated to enforcement. If Council wishes to actively and proactively enforce the prohibition on vacation rentals, and/or if Council wishes to hire a third-party contractor to actively identify illegal vacation rentals and monitor home-sharing uses, the proposed ordinances banning vacation rentals and requiring a permitting scheme for home-sharing may require either hiring additional code enforcement staff or a contractor to monitor illegal rentals, or both. Examples of services offered by third-party contractors include: 1) assistance with registration, permitting and tax collection through online tools that streamline these registration and tax collection processes and guide applicants through what can otherwise be complex permitting workflows; 2) assistance with identifying violators through addresses across multiple hosting platforms through sophisticated software tools and algorithms that are deployed continuously across the world's 54 largest vacation rental websites ensuring up-to-date and comprehensive

data; 3) assistance with enforcement, from monitoring violators to sending notices or citations; 4) assistance with auditing or requesting data from hosts who under-report lodging taxes; and 5) establishing and staffing a 24/7 short-term rental hotline or online complaint site to allow residents to communicate complaints easily. Staff will return to Council in the future to seek further direction regarding this issue when staff has a better understanding of the additional workload and hence, the additional costs, that will be involved.

Also, since the ordinance clarifies and solidifies the requirement to pay TOTs on any home-sharing revenues, it may result in additional TOT revenues. Once the ordinances are in effect, City Attorney staff will reach out to other cities that have been successful in negotiation of TOT collection agreements with Airbnb, and subsequently to Airbnb itself, to explore the possibility of negotiating such an agreement for the City.

ALTERNATIVES

Alternative 1: The City Council may introduce the ordinances as drafted (with or without the Planning Commission's recommended alternative consideration) and subsequently adopt the ordinances, along with the fee resolutions;

Alternative 2: The City Council may introduce the ordinances with additional amendments and subsequently adopt the ordinances, as amended, along with the fee resolutions;

Alternative 3: The City Council may consider any other alternative not proposed by staff.

CAMPAIGN DISCLOSURE

Not applicable to this agenda item.

EXHIBITS

- Exhibit 1: July 17, 2019 Planning Commission Motion;
- Exhibit 2: October 2, 2018 Council Motion providing staff direction regarding Glendale Municipal Code amendments to allow, regulate, and/or ban short-term rentals;
- Exhibit 3: October 2, 2018 Staff Report to Council (Policy Direction for Allowance, Regulation, and/or Prohibition of Short-Term Rentals). *Note: Exhibit 1 referenced in this document is excluded because it is included directly below as Exhibit 4;*
- Exhibit 4: December 13, 2016 Staff Report to Council (Policy Direction for Allowance, Regulation, and/or Prohibition of Short-Term Rentals);
- Exhibit 5: Text of proposed language to implement Planning Commission recommended exception to allow certain vacation rentals.

Planning Commission Minutes
July 17, 2019

MOTION

Moved by Planning Commissioner Astorian, seconded by Planning Commissioner Minassian, that upon consideration of the proposed ordinance, and after reviewing the four categories of applicable CEQA exemptions outlined in the Planning Commission staff report dated July 17, 2019, records, files, reports, and all documentary evidence submitted with regard to said Case No. PZC 1911458 and Case No. PGPA 1911459 to amend Title 30 of the Glendale Municipal Code, 1995, and to amend the Downtown Specific Plan (DSP) related to prohibiting vacation rentals and allowing but regulating home-sharing, the Planning Commission hereby recommends that the City Council adopt the ordinance amending Title 30 and the ordinance amending the DSP as presented, but also consider revising the ordinances to allow owners of multi-family residential developments to participate in home-sharing if a property owner resides in one of the units.

Adopted this 17th day of July 2019.

VOTE

Ayes: Astorian, Chraghchian, Minassian, Lee
Noes: None
Abstain: None
Absent: Shahbazian

MOTION

Moved by Council Member Devine, seconded by Council Member Najarian, that the Council hereby initiates amendments to the Glendale Municipal Code, including Title 30, Zoning, and policies pertaining to short-term rental regulations, as further described in the October 2, 2018 staff report from the City Attorney and the Director of Community Development, and as directed by Council, to:

- Ban vacation rentals citywide;
- Allow home-sharing but with a cap on total number of days per year;
- Enact a required license and/or registration process for home-sharing;
- Reaffirm and implement the requirements for the payment and collection of transient occupancy taxes on home-sharing transactions (including negotiation and execution of tax collection agreements with short term rental online platforms);
- Enact appropriate remedies and penalties for violations of this code, including, but not limited to, criminal prosecution, civil action, administrative cost recovery, administrative citations/administrative civil penalties and/or other costs, fees or fines.

Vote as follows:

Ayes: Agajanian, Devine, Najarian, Sinanyan

Noes: None

Absent: Gharpetian

Abstain: None

THE MOTION WAS ADOPTED AT THE REGULAR CITY COUNCIL MEETING OF: Tuesday, October 2, 2018.

APPROVED AS TO FORM

Yvette Alvarado
Senior Assistant City Attorney

DATE 10/4/18

8 A /



CITY OF GLENDALE, CALIFORNIA

REPORT TO THE:

Joint City Council Housing Authority Successor Agency Oversight Board

October 2, 2018

AGENDA ITEM

Report: Policy Direction for Allowance, Regulation, and/or Prohibition of Short-Term Rentals

- 1) Motion Initiating amendments to Glendale Municipal Code regarding short-term rental regulations;
- 2) Motion providing staff direction regarding Glendale Municipal Code amendments to allow, regulate, and/or ban short-term rentals.

COUNCIL ACTION

Public Hearing Ordinance Consent Calendar Action Item Report Only

Approved for 10/2/18 calendar

ADMINISTRATIVE ACTION

Submitted by:
Michael J. Garcia, City Attorney

Phillip S. Lanzafame, Director of Community Development

Prepared by:
Yvette Neukian, Sr. Assistant City Attorney

Approved by:
Yasmin K. Beers, City Manager

Reviewed by:
Roubik Golanian, Assistant City Manager

Michael J. Garcia, City Attorney

Robert Elliot, Director of Finance *ME*

Signature

Michael J. Garcia

Phillip S. Lanzafame

Yvette Neukian

Yasmin K. Beers

Roubik Golanian

Michael J. Garcia

Robert Elliot

RECOMMENDATION

Staff recommends that the City Council provide direction to staff regarding the permissibility and regulation of short-term rentals. At a previous Council meeting on December 13, 2016, Council asked staff to monitor other cities' regulations and the various litigation surrounding these regulations, and to present an update once the legal landscape in this area evolved or became more settled. Since that time, most of the major lawsuits in the area of short-term rentals have resolved; summaries of each are provided in this report. Also, since the December 2016 report, the City has received more complaints from residents regarding short-term rental activity in their residential neighborhoods, as well as numerous secondary negative impacts resulting from the activity. Accordingly, staff respectfully requests that the City Council provide staff direction at this time so that staff may bring back any desired Glendale Municipal Code ("Code") amendments regarding short-term rentals.

BACKGROUND/ANALYSIS

Introduction

At the December 13, 2016 City Council meeting, staff prepared a report (attached to this report as Exhibit 1) and made a presentation to the City Council introducing the relatively recent (approximately the last ten years or so) phenomenon of residential properties in the City being rented out as short-term rentals ("STRs"). STR activity is usually defined as rental of all or part of a property for less than thirty days. The ease of use and popularity of websites, such as Airbnb, VRBO, and Homeaway, that match up renters with "hosts" has increased the popularity of STR activity over the years, and the uptick in this kind of activity is almost certain to continue to increase in residential neighborhoods. One type of STR is a vacation rental, where the host is absent from the property during a guest's stay; another type of STR is home-sharing, where the permanent resident or host remains on site during the rental period to guide and supervise their guests/renters.

As detailed in the December 2016 report, Glendale's Zoning Code (Title 30 of the Code, governing land uses) does not expressly address the legality of STR activity, as such a use is not specifically defined. Although the Zoning Code states that a use not expressly permitted by the Code is prohibited, a reasonable interpretation of the Code is that STRs are a type of "residential use" permitted by the Zoning Code in many zones, particularly since the Zoning Code is silent regarding renting properties on a short-term basis. Also, most STRs do not qualify as hotels/motels, as that term is defined in the Zoning Code. Conversely, under Chapter 4.32 of the Code, Glendale is authorized to collect transient occupancy taxes ("TOTs") from STRs, as these rentals do fall under that chapter's definition of a "hotel" (under Section 4.32.020's definition); the City has chosen, however, to refrain from enforcing such a tax due in large part to the questionable legal status of such rentals citywide until the City Council provides further direction.

It is not surprising that the Zoning Code does not address STRs as a specific land use since such use, at least at the levels seen today, is a rather recent phenomena that has grown exponentially in a relatively short time. Due to this rapid rise in STRs and the negative secondary impacts that are currently affecting Glendale's population, particularly in residential neighborhoods, staff recommends that Council provide staff direction regarding Code amendments to specifically address such activity, currently missing from the Code.

Summary of December 13, 2016 Staff Report and Discussion at Meeting

The December 2016 Council report analyzed Glendale's current regulations, analyzed the positive and negative effects of STRs (including potential TOT revenues and enforcement issues) and presented a variety of approaches to STR regulations, including a permit system and an outright ban on all STR activity in some or all zones.

In sum, some of the pros and cons of STRs that were discussed in the December 2016 staff report are:

Pros:

- STRs make efficient use of space by allowing residents to host guests in a room, unit or entire home when that space might otherwise go unused;
- Many individuals report using their residence as an STR helps them afford their own home, cover healthcare expenses, recover after the loss of a job, and have meaningful, culturally enriching interactions with visitors from around the world;
- For visitors, STRs often offer a more affordable and flexible option;
 - Research has revealed that some travelers claim to benefit from a more residential environment, including families with children, travelers with pets, and large groups;
 - Many travelers also enjoy the feel of being in a "local" neighborhood as opposed to a typical commercial hotel district. As such, STRs bring tourists to neighborhoods that may be underserved by hotels and therefore ordinarily do not receive tourist dollars;
- A study found that when compared with hotels or motels, travelers who use Airbnb for their lodging use significantly less energy and water, resulting in fewer greenhouse gas emissions;
- The same study found Airbnb usage encourages more sustainable practices among both hosts and guests.

Cons:

- STRs in residential neighborhoods can become a nuisance;
 - Some negative secondary impacts include: a) noise (e.g., loud parties); b) parking issues; c) trash (e.g., inconsiderate guests leaving trash behind during and after a stay); and d) safety concerns with respect to strangers occupying the STR;
- Because of its commercial nature, STR activity in residential neighborhoods (particularly in low density zones with primarily single-family homes) can result in the loss of the residential character of neighborhoods;
- Data suggests taking houses off of the long-term rental market has a negative impact on the housing stock and, consequently, a negative impact on affordable housing;
 - Any decrease in the supply of residential units available for the City's permanent residents may put an upward pressure on price;
 - This could be ameliorated to some degree by a nexus fee for residential units taken off the market to be used as STRs (following a nexus study prepared by a consultant and brought back before the City Council for review and comment).

In addition to the pros and cons of STRs, the December 2016 report also discussed challenges a city would encounter if it chose to regulate or ban STRs:

- Taxation issues;
 - Unless it is able to execute agreements with the hosting platforms, the City would likely need to expend resources actively monitoring STRs on a regular basis in order to capture TOT revenue from individual hosts;
- Enforcement issues;
 - Depending on the level of STR use and nuisance activity that might be associated with STRs, the City may need to expend staff resources to field complaints, inspect and enforce any ban or regulations and actively seek out illegal listings because:
 - unless there has been a complaint against a specific property, it is difficult to determine the address from an illegal online listing alone;
 - it is not always clear who is responsible for a listing/rental (property owner/tenant);
 - compliance with any limits on the number of days permitted to be rented each year are difficult to verify; and
 - it will take significant resources and coordination to do the type of proactive enforcement of online listings needed.

At the conclusion of staff's presentation in December 2016, which informed the Council that some cities were being sued by hosting platforms and STR operators over their regulations, the Council decided to take a "wait-and-see approach" and directed staff to provide periodic updates on such litigation as it unfolded. Most of the litigation surrounding STRs has resolved since then, and a discussion of the most important cases is provided below. Accordingly, and because residents are increasingly voicing concerns about the negative secondary impacts of STRs in residential neighborhoods, the time appears right for Council to revisit this issue of potential regulation of STRs.

Legal Landscape

Courts have generally upheld local prohibitions of STRs in residential neighborhoods. Most notably, in Ewing v. City of Carmel-By-The-Sea, 234 Cal. App.3d 1579 (1991), the court of appeal upheld a ban against takings and due process challenges. The court reasoned that maintenance of the character of residential neighborhoods is a proper purpose of local zoning laws and recognized that residential character of a neighborhood is threatened when a significant number of residences are occupied not by permanent residents but by a stream of short-term visitors. "Such rentals undoubtedly affect the essential character of a neighborhood and the stability of a community," because such visitors "have little interest in the public agencies or in the welfare of the citizenry." Carmel's ordinance precisely sought to remedy such ill-effects of STRs, which was a proper exercise of the City's police powers. Similarly, numerous other courts throughout the country have similarly upheld local STR prohibitions. See, e.g., Aamodt v. City of Norfolk, Ark., 682 F.3d 735 (8th Cir. 16 2012) (upholding Norfolk, Arkansas's short-term rental ban); Neumont v. Florida, 610 F.3d 1249 (11th Cir. 2010) (upholding Monroe County, Florida's short-term rental restrictions); Siwinski v. Town of Ogden Dunes, 949 N.E.2d 825 (Ind. 2011) (affirming Ogden Dunes, Indiana's prohibition against vacation rentals).

As for vested rights for existing STRs, such a doctrine in the land use context "is subject to the qualification that such a vested right, while immune from divestment through ordinary police power regulations, may be impaired or revoked if the use authorized or conducted thereunder constitutes a menace to the public health and safety or a public nuisance." Highland Development Co. v. City of Los Angeles 170 Cal. App.3d 169, 186 (1985). California cases have firmly held zoning legislation may validly provide for the eventual termination of

nonconforming property uses without compensation if it provides a reasonable amortization period commensurate with the investment involved. Castner v. City of Oakland, 129 Cal. App. 3d 94, 96 (1982). Moreover, "[t]he party complaining of the zoning legislation has the burden of establishing the unreasonableness of the amortization period and must provide evidence showing the particular period is unreasonable as to him." City of Whittier v. Walnut Properties, Inc., 149 Cal. App. 3d 633, 644 (1983) (respondent did not meet burden of showing a 120-day amortization period was unreasonable).

In Glendale, several hundred STRs are currently listed and operating, albeit likely in varying degrees of frequency. If the City passed an ordinance banning STRs (even in certain zones only), STR hosts might argue that they acquired a vested right to operate (also known as a legal non-conforming right) that could not be extinguished absent a reasonable amortization period. Because it is unclear whether STRs are currently permitted, staff recommends that any Code amendments banning STRs include an amortization period for any STR that can definitively prove they were in existence prior to the effective date of the ordinance.

Since the December 2016 report, many of the lawsuits filed with respect to other cities' STR regulations have resolved, and a summary of some of the more important ones follow.

Settlement of Suit Brought by STR Operators Against Anaheim

Following adoption of an ordinance in 2014, Anaheim issued approximately 377 STR permits. However, due to strong community opposition to the legalization of STRs, in September of 2015, Anaheim imposed a moratorium on new STRs and subsequently banned STRs in zoning districts that allow residential uses, effective in July/August of 2016. Existing STRs that had been given a permit to operate under the 2014 ordinance were given 18 months after the ordinance's effective date to cease operation to recoup the costs they reasonably invested for STR uses (known as an "amortization period"), unless a property could make a showing necessary to qualify for a hardship exception. Anaheim property owners and STR interest groups quickly filed suit against the city seeking to invalidate the ordinance. The complaint alleged a variety of claims based on violation of CEQA, various procedural violations, equitable estoppel/vested rights, and constitutional violations (takings/due process/equal protection).

In an effort to work with the STR interest groups toward a resolution of the lawsuit, on January 10, 2017, Anaheim amended its ordinance with respect to STR owners' obligations to provide immediate access to STRs. The amendments also extended the deadline by which STR owners had to file hardship extension applications to April of 2017. As a result of the amendments to the Anaheim ordinance, the parties settled the lawsuit in late March of 2017, contingent on the Anaheim City Council enacting the last of the amendments in April of 2017. The new ordinance retained the hardship extension process but also set up a process for most owners to qualify for an initial 3 years of continued operation, instead of only 18 months, without requiring a hardship extension.

Settlement of Litigation Brought By Hosting Platforms (Airbnb) Against San Francisco

The City and County of San Francisco amended its short-term rental laws in 2016 to impose penalties, including fines of up to \$1,000, on online hosting platforms like Airbnb and Homeaway for illegal booking transaction if they provide booking services and receive a fee for an illegal short-term rental. Hosting platforms Airbnb and Homeaway promptly sued, claiming that the ordinance required them to actively monitor and verify content provided by third-party hosts before publication, or face criminal or civil liability if a listing for an unregistered unit was

published on their website. The platforms sought to invalidate the parts of the law that make the hosting platforms responsible for their booking transactions, later bringing a motion for a preliminary injunction to prevent San Francisco from enforcing the law against them.

A federal judge denied the hosting platforms' request for a preliminary injunction in early November of 2016, seemingly rejecting their claims of violation of the Communications Decency Act (a federal law that says websites cannot be held accountable for content published by their users) and the First Amendment. Shortly thereafter, however, the court issued a temporary restraining order prohibiting San Francisco from enforcing the ordinance against hosting platforms because the city lacked a mechanism to provide platforms with the information regarding registered units, which the platforms needed to comply with the law. The court ordered the parties to mediation following this ruling.

Seemingly as a result of the months-long mediation process, in May of 2017, the hosting platforms and San Francisco announced they had settled the case. As part of the settlement, Airbnb agreed to create a registration system requiring that anyone in the city who wants to list a room or house on Airbnb must first supply their name, address and zip code. Only after registering can hosts list their homes for rent. The company also agreed to turn over host registration information to city officials. Airbnb's new registration system, expected to roll out sometime in 2018, will not prevent hosts that are not compliant with city laws from registering, meaning there could be a lag period during which illegal hosts can rent out homes before city officials identify them. San Francisco limits each host to one rental unit and caps the number of nights a unit can be rented. Airbnb will also deactivate listings if there is an invalid registration. It is unclear what level of cooperation Airbnb would engage in with other cities, including smaller cities.

Settlement of Airbnb's Lawsuit Against New York City

Airbnb settled the lawsuit that it filed against New York City in late December of 2016. The suit challenged a New York state law approved in October of 2016. That law called for fines of as much as \$7,500 for illegally listing a property on a rental platform such as Airbnb. The law makes it illegal for a host to list or rent an STR where the owner is not present at the time of occupation. The New York City lawsuit, similar to other lawsuits the company has filed across the nation against local governments, alleges that the law violates the company's constitutional rights to free speech and due process, as well as the protection it is afforded under the Communications Decency Act. The company had said the large fines could have deterred hosts and impaired its revenue in New York City. Hosts in the city generated about \$1 billion in revenue last year, and the company took a cut of that in fees. The settlement stipulates that Airbnb will dismiss the suit and work with the city to crack down on illegal listings, as long as New York City enforces the new law only against hosts and does not fine Airbnb.

District Court Rejects Challenge By Hosting Platforms to Santa Monica's Ordinance Holding Platforms Liable for Facilitating Booking of Prohibited STRs

Similar to the claims brought in the San Francisco and New York City lawsuits, Airbnb and HomeAway sued the City of Santa Monica in September of 2016, as a result of that city's ordinance banning vacation rentals (but not home sharing – where the owner remains in the rental). In addition to prohibiting property owners from using their home as a vacation rental, the ordinance makes it illegal for a hosting platform to complete a booking for any residential property unless registered with the city, and allows the city to issue an administrative subpoena to a hosting platform to compel the disclosure of listing information. As in the San Francisco

and New York City lawsuits, the hosting platforms claimed that the ordinance violates the Communications Decency Act (again, a federal law that provides some immunity from legal liability for interactive computer services that publish information of another) and the First Amendment by holding internet hosting services responsible for posted content (indirectly through the prohibition on completing booking of an illegal listing) and requiring the companies to disclose information about their users through subpoenas.

In March of 2018, the court denied the hosting platforms' motion for an injunction, following the same line of the reasoning of the court in the San Francisco litigation – that Santa Monica's ordinance does not penalize the hosting platforms' publishing activities; rather, it only prevents them from facilitating business transactions on their sites that violate the law.

The court reasoned that this type of regulation falls outside the scope of the Communications Decency Act's immunities and protections. As to the First Amendment claim, the court also found, consistent with the San Francisco court, that the ordinance regulates conduct (booking transactions) and not speech, and that that the conduct does not have such a significant expressive element as to draw First Amendment protection. Following the denial of the preliminary injunction motion, the city moved to dismiss the hosting platforms' federal claims. Congruous with its reasoning in the decision denying the motion for a preliminary injunction, the court reasoned the Communications Decency Act and First Amendment claims could not be maintained. Airbnb has appealed both the order denying the preliminary injunction motion and the order granting the city's motion to dismiss (as well as the final judgment) to the Ninth Circuit Court of Appeals and a decision on this appeal is expected within 12-24 months.

There are various other cases across the country involving myriad issues surrounding STRs. While many cities have passed ordinances regulating or banning STRs in one form or another, with or without later being challenged in court, and most of the key lawsuits have resolved, some degree of uncertainty inevitably exists with respect to the remaining unresolved litigation.

STR Regulations of Neighboring Cities Since 2016

The City of Los Angeles is very close to passing an ordinance regulating STRs. In early May of 2018, after three years of debate, an L.A. City Council committee approved a draft ordinance to regulate STRs. Following committee approval, in mid-September of 2018, the rules were vetted by the L.A. City Planning Commission. Under the draft measure, the number of days an owner can rent out their primary residence each year is capped at 120. It also creates a means for "qualified hosts in good standing with the City" to exceed that cap. However, rent-controlled units would be limited to the 120-day cap, a part of the rules the Planning Commission criticized. The committee originally drafted the ordinance with a 180-day limit but lowered it in March. The proposed new law would also require hosts to register with the city and hosting platforms could be fined if they advertise illegal listings or refuse to turn over addresses of violators. The ordinance will need to be drafted and pass through two more committees before getting to the full Council for final approval. A final vote is expected in the next few months. Not included in this version of the proposed law is any regulation of properties that are not the primary residence of the host.

Also, Pasadena adopted an ordinance in January of 2018 that allows an owner to rent out only his or her primary residence and any accessory unit on that property. If the owner remains on the premises for the stay, the owner can rent for as long as he or she wants. If the owner is not on the premises for the stay, he or she may rent for a maximum of 90 days. Notably, similar to L.A.'s proposed regulations, if the property is not the host's primary residence, Pasadena does

not allow it to be used as an STR. Hosts must register with the city and pay a tax, and must abide by restrictions related to parking, noise and other potential nuisances. In March of 2018, Pasadena entered into an agreement with Airbnb for the voluntary collection of TOTs. The staff report that describes the agreement and sets forth the projected revenues from such an agreement is attached to this report as Exhibit 2. Burbank has not adopted any specific or new regulations regarding STRs to date but takes the position that STRs are not allowed under the city's existing code, seemingly enforcing on a complaints-made basis only.

Options to Allow/Regulate or Ban Short-Term Rentals

Staff requests that Council provide direction to amend the Code to either affirmatively allow/regulate and/or ban STRs (in one form or another) in some or all zoning districts. Existing ordinances in cities and counties throughout California rely on a number of mechanisms to regulate STRs in a variety of ways. In general, the primary target of local regulations that allow one or more forms of STR activity in residential districts has been the negative community impacts in the form of visitor nuisances, the primary concerns being noise and parking. A secondary concern has been the change in neighborhood character brought about by the proliferation of STRs. The third primary target of local regulations has been the avoidance of paying proper TOTs.

With respect to the collection of TOTs, some cities that allow STRs have opted to negotiate agreements with hosting platforms that place the burden of collecting the TOTs on the companies and not on the city (such as Pasadena, discussed above). Such an agreement has many advantages, as it is easier and more efficient for the hosting platform to collect the TOTs due upfront as a requirement to list the property rather than the city trying to collect the TOTs after the fact. This is because it is often difficult to identify STRs in the community due to lack of visibility and constraints on online searches. City Attorney's Office staff has reviewed Pasadena's TOT collection agreement with Airbnb and believe it is fair. If council passes an ordinance that allows STRs in some form, staff can approach Airbnb to negotiate such an agreement.

Options for an ordinance regarding STRs fall into three broad categories, with nuances possible within each: a city may either ban all STRs, ban vacation rentals but not home-sharing, or allow but regulate STRs in some form (vacation rentals or home-sharing or both) in all or some zones. More detail regarding these options is below.

Option 1: Ban Short-Term Rentals (Both Vacation Rentals and Home-Sharing)

One option is to ban all STR uses in their entirety (including home-sharing), as a handful of mostly smaller cities have done. This approach has the advantage of being clear and unambiguous, but it also runs the risk of prohibiting beneficial economic activity (as well as potential TOT revenues) and social benefits that come with some of the less-intensive STR uses (such as home-sharing with a cap on the number of days per year). Moreover, a complete ban will almost certainly be difficult to actively enforce and may illicit an out-cry from a variety of STR operators currently engaging in this activity. A variation on this option is to ban STRs only in certain zones where the secondary impacts are the greatest.

Option 2: Ban Vacation Rentals but Allow Home-Sharing

Another option is to ban the types of STRs with arguably the most secondary impacts – vacation rentals, where the owner is not on site during the stay – but allow home-sharing. Because

complaints related to noise, parking and other nuisances are almost entirely related to STRs where the entire unit is rented out without the host present to monitor potential nuisance activity, some jurisdictions have taken the approach of simply prohibiting such STRs, and only allowing home-sharing. As an example, in 2012, New York City banned vacation rentals outright in buildings with three or more units, although home-sharing continues to be allowed. Moreover, the City of West Hollywood recently changed its laws (from a total ban of STRs) to allow home-sharing but only with respect to homeowners and condominium owners. The owners must be at the home at least four hours a day, and condo owners must have the approval of their homeowners' association. As detailed above, Santa Monica has a similar law that allows home-sharing but bans vacation rentals (unhosted stays where the owner is not on site). In this model, home-sharing is allowed through registration and a requirement to pay TOTs. This approach also largely addresses the concerns regarding an owner's ability to generate revenue to keep their home, the retention of the neighborhood character, and the proper payment of TOTs. Additionally, this approach has the advantage of being simple and easy to understand. A variation on this option is to only allow a host to rent their primary residence (as opposed to an income property or second home) on a short-term basis, as some cities have done or are proposing to do.

Option 3: Allow But Regulate Some/All Short-Term Rentals In Some/All Zoning Districts

The third broad option is to allow STRs in some/all zoning districts "by right", with or without some form of licensing, either through the existing Business Registration Certificate mechanism, or through creation of a new licensing system. Requiring licensing and registration enables a jurisdiction to maintain a database of units for code enforcement and tax collection purposes, among other benefits. There are a myriad of ways to allow some form of STR use but at the same time regulate the activity – and cities across California are taking a varied approach.

In addition to the registration, licensing and TOT payment requirements, there are a number of other standards and requirements that can be included in such ordinances, including:

- Limits on the number of rental days;
- Seasonal limits (e.g. no off-season rentals allowed);
- STRs prohibited in certain zones;
- Occupancy limits (typically based on the number of bedrooms);
- Minimum length of stay requirements;
- Outdoor and interior signage regulations;
- 24-hour contacts for property management;
- STR density limits (e.g. maximum number of STRs per district or citywide);
- Prohibitions on events and parties;
- Quiet hours;
- On-site host requirements;
- Neighbor notification requirements;
- Health & safety/compliance inspections (initial and/or annual); and
- Performance/surety bonds.

When more complex regulations are adopted, there may be a more robust permitting process that goes beyond a ministerial permit – such as a conditional use permit.

The complexity of the licensing scheme, and the nature and extent of the regulations imposed on the host, will have a bearing on the administrative costs involved and the amount of additional staff that may need to be hired to enforce any STR ordinance. The size of the City of

San Francisco, the number of STRs it has, and its rather complex ordinance has necessitated that city establishing an "Office of Short-Term Residential Rental Administration and Enforcement" and hiring approximately half a dozen additional staff members. In contrast, Santa Monica has had to hire approximately three staff members to implement its STR ordinance. It is fairly safe to assume the administrative burden Glendale would bear to administer and enforce an STR permitting scheme would be less than either of these two cities, but will also depend on the scope of the regulations imposed.

Conclusion

Since the December 2016 report, it has become clear that STRs are here to stay, as more and more property owners find the practice lucrative – often more lucrative and appealing than renting out the property on a long-term basis. STRs thus continue to be a very fast-growing business, and they bring with them many benefits and burdens to a community. While they provide a range of rental units at a price that is typically lower than a hotel, and a convenient booking system desired by both host and guest, they also may in some cases threaten the residential character of Glendale neighborhoods, and pose potential noise, parking, and sanitation impacts upon established neighborhoods, with associated concerns related to safety and enforcement. Indeed, complaints about certain regularly-operating STRs in Glendale neighborhoods have increased over the years. Furthermore, studies have suggested that STRs may decrease affordable housing options in the City by removing units from the housing market.

Given the many options outlined above, staff is requesting Council direction regarding such options, including the possibility of negotiating an agreement with Airbnb and other hosting platforms to collect TOTs. Council may also consider, as at least one other jurisdiction has, assessing a fee on STRs to mitigate the loss of affordable units and help fund the production of affordable housing. Such a fee would require a nexus study.

Depending on the level of Council direction, staff will either return to Council for follow-up or prepare appropriate Code language for review and consideration by the Planning Commission for a formal recommendation and return for final action by the City Council. Council can direct staff to initiate and receive stakeholder input prior to commencement of initiating zoning code changes, or seek such input during the process.

FISCAL IMPACT

An ordinance banning STRs, or one that includes a permitting scheme, may require hiring additional code enforcement staff. Moreover, an ordinance that allows STRs in one form or another, with or without an agreement with Airbnb to collect TOTs, may result in additional TOT revenues.

ALTERNATIVES

Alternative 1: The City Council may provide staff with direction to return (after Planning Commission recommendation) with proposed Code amendments to license and regulate STRs or ban STRs in all or some zones.

Alternative 2: The City Council may direct staff to return at a later date with more information and/or meet with stakeholder groups.

Alternative 3: The City Council may consider any other alternative not proposed by staff.

CAMPAIGN DISCLOSURE

Not applicable.

EXHIBITS

- Exhibit 1: City of Glendale December 13, 2016 Staff Report (with all original exhibits);
- Exhibit 2: City of Pasadena March 26, 2018 Agenda Report re Voluntary Collection Agreement with Airbnb for the Collection of Transient-Occupancy Tax.

MOTION

Moved by Council Member _____, seconded by Council Member _____, that the Council hereby initiates the process of amending the Glendale Municipal Code pertaining to short-term rental regulations, as further described in the October 2, 2018 staff report from the City Attorney and the Director of Community Development, and as directed by Council.

Vote as follows:

Ayes:

Noes:

Absent:

Abstain:

APPROVED AS TO FORM

Yvette Alcala

Senior Assistant City Attorney

DATE 9/26/18

MOTION

Moved by Council Member _____, seconded by Council Member _____, that the Council of the City of Glendale, having considered and evaluated the alternatives provided in the staff reports, dated December 13, 2016 and October 2, 2018, and discussed at the meetings of the same date concerning Allowance, Regulation and/or Prohibition of Short-Term Rentals, hereby provides direction to staff as follows:

Vote as follows:

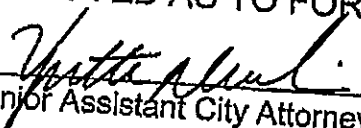
Ayes:

Noes:

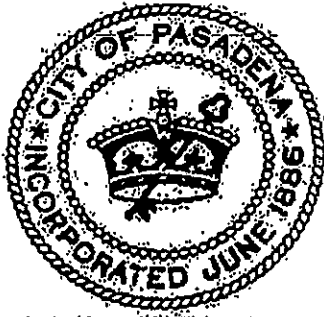
Absent:

Abstain:

APPROVED AS TO FORM


Senior Assistant City Attorney

DATE 9/25/18



Agenda Report

March 26, 2018

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Director of Finance

SUBJECT: VOLUNTARY COLLECTION AGREEMENT WITH AIRBNB FOR THE COLLECTION OF TRANSIENT OCCUPANCY TAX

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) as defined in Section 21065 of CEQA and section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project; and
2. Authorize the City Manager to execute an agreement with Airbnb to collect Transient Occupancy Taxes on behalf of Pasadena residents who rent their residences to others using the Airbnb application and platform.

BACKGROUND:

Airbnb is one of several online, internet-based applications that allows people to rent out rooms in their homes, or their whole house, to third parties in exchange for payment. These online applications allow residents to advertise their homes, or portions thereof, on the worldwide web. The transactions are cashless, as the tenants directly pay the rental fee to the online service usually by credit or debit card. The online service receives a fee, which is usually a percentage of the rental fee, and remits the remainder of the fee to the property owner.

There are other on-line applications in the short-term rental marketplace, but Airbnb appears to have the largest market share among its competitors. This staff report is limited to recommending a Voluntary Collection Agreement (VCA) with Airbnb to collect Transient Occupancy Taxes (TOT).

Airbnb was founded in 2009 and now claims to have more than 4.5 million listings in 81,000 cities. They have transformed the short-term rental market, particularly because of the marketplace platform it created that provides for a decentralized supply of short-term lodging positions to compete directly with hotels.

As previously discussed when the City Council amended the Zoning Code to permit certain types of short-term rentals, the City's Transient Occupancy Tax of 12.11 percent does apply to all short-term rentals. Using the initial estimate that there are more than 500 unique, short-term rentals in Pasadena, the individual registration and collection of TOT will be onerous for both the hosts and the City.

Airbnb has entered into VCAs with several cities in California to collect TOT from the rental transactions occurring within each contracting city's jurisdiction. If the City of Pasadena enters into a VCA with Airbnb as proposed by staff, then Airbnb will collect the TOT on behalf of the property owners and will subject itself to third party tax auditing.

Airbnb represents that it achieves 100 percent compliance with TOT collection through the VCA. They achieve this compliance by programming their online site to automatically collect the TOT from guests who rent from property owners. Once collected, Airbnb remits the TOT directly to the City as required by the City's code. While the property owner is responsible for remitting the tax, Airbnb voluntarily collects and remits the tax on behalf of the property owner. The VCA includes the City's right to audit the collection of TOT from Airbnb every 48 months; which is consistent with the current practice of TOT audits.

Hosts using platforms other than Airbnb are required to remit TOT individually until which time these platforms are willing to consider agreements similar to the VCA. The remittance of TOT for the Hosts has been included in the online portal where registration occurs to provide as simple a process as possible. Hosts also have the option to remit TOT as hotels do using the City's standard form and mailing or dropping off their payment to Municipal Services at City Hall.

ENVIRONMENTAL ANALYSIS:

The proposed actions are governmental fiscal activities that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project to CEQA, no environmental document is required.

FISCAL IMPACT:

The exact fiscal impact of this VCA is currently unknown. A very conservative estimate assumes that there are currently 500 whole or partial units listed on various sites, and Airbnb represents at least 75 percent of them. Using the estimate provided to the City Council in October 2017 that short-term rentals may generate \$600,000 to \$700,000 of new TOT revenue, and assuming Airbnb's claimed market share, it is possible that this VCA could provide for the streamlined collection of more than \$450,000 annually in TOT revenue. The projected revenue will be included in the Fiscal Year 2019 proposed budget.

Respectfully submitted,


MATTHEW E. HAWKESWORTH
Director of Finance

Approved by:


STEVE MERMELL
City Manager



CITY OF GLENDALE, CALIFORNIA
REPORT TO THE:

Joint City Council Housing Authority Successor Agency Oversight Board

December 13, 2016

AGENDA ITEM

Report: Policy Direction for Allowance, Regulation, and/or Prohibition of Short-Term Rentals

- 1) Motion providing staff direction regarding code amendments to allow, regulate, and/or ban short-term rentals

COUNCIL ACTION

Public Hearing Ordinance Consent Calendar Action Item Report Only
Approved for 12/13/16 calendar

ADMINISTRATIVE ACTION

Submitted by:
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Prepared by:
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Approved by:
Scott Ochoa, City Manager

Reviewed by:
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Michael J. Garcia, City Attorney

Philip S. Lanzafame, Director of Community Development

Robert Elliot, Director of Finance *(aw)*

Signature
Michael J. Garcia
Yvette Neukian
Scott Ochoa
Yasmin K. Beers
Michael J. Garcia
Philip S. Lanzafame
Robert Elliot

RECOMMENDATION

Staff recommends that the City Council consider the information contained in this report regarding current law in Glendale with respect to short-term rentals and policy considerations with respect to regulating or banning such uses in some or all zones. Staff respectfully requests that the City Council provide staff direction so that staff may bring back any desired Glendale Municipal Code ("Code") amendments regarding short-term rentals.

BACKGROUND/ANALYSIS

Introduction

Short-term rental activity, usually defined as rental of all or part of a property for less than thirty days, has exploded worldwide in the past few years – and Glendale is no exception – driven mostly by the potential for large profits, in addition to the ease of use and popularity of websites such as Airbnb, VRBO, and Homeaway.¹ These websites match up renters with "hosts" – homeowners/tenants offering the rental of some or all of their living space for a short time. The increasing popularity of short-term rental activity, as well as the increase in other trends such as ridesharing/car sharing that have emerged in the so-called "sharing economy"² are changing traditional notions of travel and lodging.

A slight distinction exists between a "vacation rental" and the activity of "home-sharing." Vacation rentals and home-sharing are both forms of short-term rentals, but in the case of home-sharing, the permanent resident or host remains on site during the rental period to guide and supervise their guests/renters. On the other hand, vacation rental describes situations whereby the permanent resident or host does not remain on site during the rental period.

Laws governing the use and operation of short-term rentals have had a hard time keeping pace with this increasingly common and rapidly evolving activity. The state of California has not yet passed comprehensive laws regulating the industry – whether the company who owns the website, the host who advertises a rental, or the property owner (who may not be the same as the host) – which means that if regulation is desired, local governments must act to fill the void.³

¹ These websites operate on a "brokers" model, taking a percentage cut from both the host and guest, or charging membership fees to hosts. For example, Airbnb charges guests a fee, whereas VRBO does not. VRBO has a flexible pricing model which allows hosts to choose to pay an annual subscription fee or a per booking fee (a percentage of the booking), whereas Airbnb only offers hosts the option of a per booking fee. There are multiple other websites that offer STR listing services such as: Tripping.com; VacationRentals.com (a HomeAway Company); SabbaticalHomes; Sublet.com; Flipkey.com (a TripAdvisor company); Craigslist; Roomorama; and Globe Homes and Condos, among many others.

² "Sharing economy" is defined as "an economic model in which individuals are able to borrow or rent assets owned by someone else. The sharing economy model is most likely to be used when the price of a particular asset is high and the asset is not fully utilized all the time." Investopedia: <http://www.investopedia.com/terms/s/sharing-economy.asp#ixzz4LTAcGnhc>.

³ In May of 2016, Arizona became the only state to pass a comprehensive law regarding STRs when it passed a bill that outlaws cities and municipalities from prohibiting STRs based on use. In California, SB 593, a bill introduced in 2015 that failed to pass, was an attempt to regulate hosting platforms. It would have required a hosting platform to report quarterly to the city or county: 1) the address of each property that was offered and rented during the quarter; 2) the total number of nights the property was rented; and 3) the amounts paid for the occupancy. It also would have prohibited a hosting platform from facilitating the rental of a property if such a rental is prohibited by the city or county, and would have authorized a city or county to establish civil fines on a hosting platform after providing notice and time to correct. Finally, the law would have required a hosting platform to collect the applicable transient occupancy tax if requested by the city or county. SB 761 (enacted in 2015) and SB 1092 (enacted in 2016), require a hosting platform

Currently, Glendale's Zoning Code (Title 30 of the Code, governing land uses) is unclear regarding the legality of short-term rental activity, as such a use is not specifically defined. Although the Zoning Code states that a use not expressly permitted by the Code is prohibited, it is reasonable to interpret the Code to mean that the vast majority of short-term rentals are an allowed residential use. This interpretation is strengthened by the fact that most short-term rentals do not qualify as hotels/motels, as that term is defined in the Zoning Code. Adding to the confusion, under Chapter 4.32 of the Code, Glendale is authorized to collect transient occupancy taxes from short-term rentals, as these rentals do fall under the definition of a "hotel", under Section 4.32.020's definition; the City has chosen, however, to refrain from enforcing such a tax due in large part to the questionable legal status of such rentals citywide until the City Council provides further direction.

A recent analysis by a company that offers cities the ability to monitor short-term rental activity by mining data from various sources estimated that Glendale has approximately 450 listings, although on average, each listing is rented out for no more than 15-90 days per year.⁴ Given the prevalence of this type of activity in residential neighborhoods, and the fact that by all accounts, short-term rental activity will only increase year after year, staff recommends that Council consider either to expressly permit and regulate vacation rentals, or expressly ban them, either citywide or in certain zones. This report discusses the options for regulation, the direction other cities have gone and the legal and practical challenges that have resulted, as well as the various policy considerations that should be weighed in any decision regarding regulation of short-term rental activity.

Legality of Short-Term Residential Rental Activity Under Current Code

The current Code's definitions of transient and residential uses do not address the situation Glendale finds itself today and are therefore ill-suited to regulate short-term rentals (hereinafter "STRs"). From a land use perspective, the Code is silent, or at best unclear, regarding the legality of the use of residences as STRs. The Code does not explicitly permit, prohibit or regulate STRs in residential or other zones. Specifically, the Zoning Code does not contain a precise "use" that can be applied to STR activity – at least not to the typical STR. However, under "residential uses", the Zoning Code contains the following defined uses:

- "Multiple residential dwelling" is defined as: "[A] building or portion thereof designed for occupancy by two (2) or more persons or households living independently of each other in separate units. Includes apartments, townhouses or similar buildings. On-site support services personnel and equipment to maintain independent living is limited to residents of the dwelling." GMC § 30.070.050.

to provide specific notices to an offeror listing a residence for short-term rental on a hosting platform that if the offeror is a tenant, listing the unit may violate the lease or contract and could result in legal action by the landlord, including possible eviction; the hosting platform must also provide notice to the offeror to consult any restrictions on coverage under a homeowners' or renters' insurance policy related to short-term rental activities to ensure that there is appropriate insurance coverage.

⁴ Data provided by Host Compliance LLC/iCompass Technologies as of October 2016 (<https://hostcompliance.com>; <http://www.compasstech.com>).

- Similarly, "dwelling, one residential" means: "[A] detached building designed exclusively for occupancy by one (1) household. On-site support services personnel and equipment to maintain independent living is limited to residents of the dwelling."⁵ Id.

Although these "residential uses" only define types of residential buildings, and stop short of explicitly and clearly addressing how these residences may or may not be utilized commercially (for economic gain), it can be argued that most STRs fall within these residential uses, and that therefore, STRs are permitted uses in all residential districts (and other districts that allow residential uses). Some may argue that STRs are like hotels or motels, which are generally only allowed in commercial districts and not in residential districts. However, this argument is not supported by the Zoning Code definition of "hotel or motel", defined rather narrowly as: "[A] building in which there are six (6) or more guest rooms where lodging with or without meals is provided for compensation and where no provision is made for cooking in any individual room or suite. Hotel or motel includes single room occupancy (SRO)."⁶ GMC § 30.70.090. It is difficult to make a convincing argument that this definition applies to the typical STR. The vast majority of STRs do not qualify as a hotel or motel under the current definition since a typical STR would not have six or more guest rooms.⁷

Further muddying the waters, "hotel" is defined differently under Chapter 4.32, the City's transient occupancy tax ("TOT") ordinance. Section 4.32.020 defines "hotel" as: "[A]ny structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, boarding house, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location or other similar structure or portion thereof." This definition of "hotel" is much broader than the Zoning Code definition and does more clearly appear to encompass an STR. Accordingly, under the City's TOT ordinance, STRs are responsible for collecting and remitting the City's tax. To date, however, the City has taken a conservative approach and chosen to refrain from actively enforcing the TOT ordinance against STRs to avoid inadvertently sanctioning or legally vesting the activity.

Thus, although STRs qualify as hotels under the City's TOT ordinance and are therefore subject to collection of the TOT, the legality of the use of homes as STRs is, at best, unclear. As discussed above, a reasonable interpretation of the Code is that STRs are a type of "residential use" permitted by the Zoning Code in many zones, particularly since the Zoning Code is silent regarding renting properties on a short-term basis. This argument is strengthened by the fact that "long-term" rentals (30 days or more) are an allowed residential use and occur frequently in

⁵ If a single family home were rented out on a short term basis to more than one household at a time, it may arguably run afoul of this definition. However, more often than not, single family home STRs are rented out to only one "household" at a time, and thus, for the most part would usually conform to this use.

⁶ Hotels/motels are not permitted or conditional uses in any residential zoning district (ROS, R1R, R1, R3050, R2250, R1650, R1250). Hotels/motels are permitted or conditional uses in the majority of the commercial zoning districts and the Downtown Specific Plan.

⁷ An STR may be considered a hotel or motel under the Zoning Code, if, for example, a single-family home contained six or more sleeping rooms and each room was rented out individually to different guests nightly. Since multi-family structures such as apartment or condominium complexes almost without exception have stand-alone cooking facilities in each unit (i.e. a kitchen), no multi-family STR would seem to qualify as a hotel/motel. Data provided by Host Compliance LLC/Compass Technologies as of October 2016 reveals that 51% of advertised STRs are in multi-family buildings.

residential districts (e.g., an apartment tenant sublets their unit, or a homeowner rents or leases their condominium unit or single-family home to another household on a month-to-month basis or through a lease agreement). It is not surprising that the Zoning Code does not address STRs as a specific land use since such use, at least at the levels seen today, is a rather recent phenomena that has grown exponentially in a relatively short time.⁸ Due to this rapid rise in STRs, particularly in residential neighborhoods, staff recommends that Council provide staff direction regarding Code amendments to specifically address such activity, currently missing from the Code.

Positive Community Effects of Short-Term Rentals

Before discussing the various options with respect to regulation of STRs, it is useful to examine the positive and negative aspects of STRs on a community. There are various social and economic benefits of STRs. STRs make efficient use of space by allowing residents to host guests in a room, unit or entire home when that space might otherwise go unused. In July of 2014, Airbnb, the leading STR website, released a study it commissioned regarding the environmental benefits of residential STRs [it is acknowledged that Airbnb has a vested interest in the outcome of such studies]. The study found that, when compared with hotels or motels, travelers who use Airbnb for their lodging use significantly less energy and water, resulting in fewer greenhouse gas emissions; the study also found that Airbnb usage encourages more sustainable practices among both hosts and guests. Moreover, many individuals use STRs as a way to help afford their own home, cover healthcare expenses, recover after the loss of a job, and have meaningful, culturally enriching interactions with visitors from around the world. Airbnb recently published statistics claiming that nearly 23% of their hosts reported that the extra income helped prevent losing their home to foreclosure or eviction.

For visitors, STRs often offer a more affordable and flexible option. Research has revealed that some travelers claim to benefit from a more residential environment, including families with children, travelers with pets, and large groups. Kitchens are often available as part STRs, which is a benefit to many. Many travelers also enjoy the feel of being in a "local" neighborhood as opposed to a typical commercial hotel district. As such, STRs bring tourists to neighborhoods that may be underserved by hotels and therefore ordinarily do not receive tourist dollars.

Issues/Negative Impacts of Short-Term Rentals

The majority of the concerns and negative impacts that result from STRs fall largely into four categories: 1) nuisance activity and the resulting loss of the residential character of neighborhoods; 2) impact on the housing stock; 3) taxation issues; and 4) enforcement/policy issues. These issues are discussed below.

Nuisance/Commercial Activities Impacting and Eroding Residential Neighborhoods

Nuisances that have been reported in Glendale and other cities as a direct result of an STR include instances of loud noise, parties, trash, inconsiderate guests, parking issues, excessive coming and going (leading to safety/security concerns) as well as the commercial use of residential properties for private events. Indeed, in direct response to the impact of one

⁸ In New York City, for example, the number of STRs has increased from 2,652 in 2010 to 16,483 in the first half of 2014. Statista.com (<http://www.statista.com/statistics/339766/private-short-term-rentals-booked-through-airbnb-in-new-york-city/>).

particularly highly publicized STR in Glendale that was, up until very recently, utilized consistently for large parties, the City enacted a "loud/large party response" ordinance (Chapter 9.22 of the Code) in 2014 to allow the city to obtain reimbursement for expenses related to second and subsequent responses to loud and/or large parties that are determined to be a threat to the public peace, health, safety or general welfare. However, more broadly, residents may feel that STRs have resulted in their neighborhood's loss of a stable residential character, as their long-term neighbors are increasingly replaced by short-term guests. Research reveals that the overarching theme of the public testimony from residents of cities that have regulated STRs is that allowing STRs essentially legalizes commercial activity (hotels) in residential neighborhoods.

Impact on Housing Stock and Affordable Housing

Many affordable housing advocates have expressed strong concerns regarding the potential impact of STRs on a community's housing stock.⁹ Glendale's rental housing vacancy rate over a four month period (July-October of 2016) averaged approximately 3.3% according to data obtained by Glendale Water and Power. Although vacancy rates fluctuate monthly and yearly, the general trend in Los Angeles County is that the vacancy rate is declining. The Census Bureau released data in January 2016 showing the rental vacancy rate for metropolitan Los Angeles was 2.7% in the last quarter of 2015, compared to 3.8% for the first three months of the year. Greater Los Angeles (the Census includes Long Beach and Anaheim) has one of the tightest rental markets in the country. Only three other major metropolitan areas had lower vacancy rates at the end of 2015: San Jose was at 2.5%, Portland, Oregon and Allentown, Pennsylvania were at 2.4%. Nationally, the vacancy rate is generally about 7%.

To the extent rental units are removed from the long-term housing market to be used solely for short-term use, overall residential supply is reduced and the lack of housing will be exacerbated. Owners will have an incentive to convert housing units from long-term to short-term use where, in some neighborhoods, there may be a substantial financial premium to be earned from STRs. Technology has allowed the easy pairing of willing hosts with willing renters leading to a situation where long-term rents are under pressure as the regular rental market increasingly competes with the short-term market. When units intended for long-term rental are lost or replaced as STRs, this can undercut the City's housing goals, and any decrease in the supply of residential units available for the City's permanent residents may put an upward pressure on price. As part of its future study of an affordable housing nexus fee in conjunction with new development, the City may also want to study whether a nexus fee for residential units taken off the market to be used as STRs can be justified. Nexus study work would be prepared by a consultant and brought back before the City Council for review and comment. Fees for this nexus study can vary, so if this is a strategy the City Council would like to pursue, a scope of work could be prepared to solicit consultant bids for the task. The study could be funded from the Housing Authority's Low and Moderate Income Housing Asset Fund ("LMIHAF").

⁹ For example, in March 2015, LAANE (Los Angeles Alliance for a New Economy) published a report titled "Airbnb, Rising Rent, and the Housing Crisis in Los Angeles", which concludes that Airbnb has created a nexus between tourism and housing that hurts renters. Moreover, in June of 2016, two of New York City's leading housing advocacy organizations – Housing Conservation Coordinators (HCC) and MFY Legal Service – commissioned a report titled "Short Changing New York City: The Impact of Airbnb on New York City's Housing Market." The report, using data gathered from independent sources, argues there is a clear pattern of Airbnb's listings being dominated by illegal commercial hosts who are manipulating the residential rental market by decreasing the supply of available long-term housing units, resulting in a strong correlation between Airbnb's growth and rapidly rising rental prices in neighborhoods where Airbnb is most prevalent.

Revenue from such a fee would augment existing revenue received from the Department of Housing and Urban Development and under LMIHAF for affordable housing. Given that such revenue for housing would be generated locally, its allocation, priorities and use would be governed locally by the Housing Authority.

Taxation Issues

With the exception of cities that have directly negotiated with hosting platforms to come to an agreement whereby the platform collects TOTs directly from a host/guest and remits to the city, Airbnb and websites like it generally leave the obligation to comply with local TOT laws to the host and/or the guest. Thus, short of solidifying such an agreement with each hosting platform, should Glendale decide to collect TOTs from STRs, it would likely need to expend resources actively monitoring STRs on a regular basis in order to capture TOT revenue from individual hosts. Under Chapter 4.32, each hotel operator in the City must register, obtain a Transient Occupancy Registration Certificate, collect the 12% TOT from each guest, and remit the lodging tax to the City. "Operator" is defined under Section 4.32.020 as: "[t]he person who is proprietor of the hotel, whether in a capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other capacity. Where the operator performs his or her functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this chapter and shall have the same duties and liabilities as his or her principal." Whether hosting platforms such as Airbnb could be considered an operator is questionable, unless it could successfully be argued that Airbnb and companies like it are the "managing agent" of the operator.

Although a handful of STR hosts in Glendale have voluntarily collected and paid their TOTs, the vast majority of STR hosts are either unaware of the tax or, if they are aware, actively attempt to go undetected so as not to have to pay the tax. It is easier for an STR to go undetected than a traditional hotel or motel due to the fact that STRs are typically located in residential zones and do not have signage. Because some localities must collect transient occupancy taxes directly from hosts, they have resorted to searching websites and sending letters to these individual hosts, which can be time-consuming. As noted above, however, the advent of STRs has also spawned new firms and technologies that can identify existing STRs within a community.

Some cities have attempted to place the obligation of collecting TOTs on hosting platforms, via ordinance. It is unclear to what extent the hosting platforms would comply with such a requirement or challenge it, given the recent history of litigation brought by hosting platforms challenging municipal regulation of STRs in general (as discussed further below). Alternatively, as stated above, some cities have secured agreements from hosting platforms regarding the collection of TOTs. Most recently, the City of Los Angeles managed to strike a deal with Airbnb whereby Airbnb agreed to start collecting TOTs (at the city's 14% rate) directly from rental guests/hosts on behalf of the city starting in August of 2016, which may result in potentially millions of dollars in revenue to the city annually. Airbnb also collects TOTs on behalf of San Francisco, Santa Monica, and several other California cities.¹⁰ Without such an agreement, TOT collection would have to occur either on a host-by-host basis, with the City mining data from various online hosting platforms, or by the City's enactment of an ordinance to shift responsibility of collecting TOTs onto hosting platforms. As mentioned above, it is unknown whether a regulation imposing TOT collection on the third-party operator would be

¹⁰ Airbnb's website contains a list of cities for which the company collects lodging taxes directly from guests and remits those sums to the city. Other cities included on that list are Oakland, San Jose, Malibu and San Diego.

challenged. Further research would be necessary if Council is inclined to pursue such a regulation.

Enforcement Issues

Whether the City were to ban or regulate STRs, it would likely incur enforcement costs and challenges, such as identifying and implementing practical means to hold operators accountable for any required permits, taxes, or secondary impacts. Regulating STRs through a permit or license would potentially require additional staff for processing and enforcement, depending on the volume of STRs. Gathering enough admissible evidence to cite or prosecute violators would prove very time intensive and would almost certainly require hiring more code enforcement staff. Moreover, privacy rights could hinder the City's investigative process. An Airbnb listing does not reveal the property address (at least initially during the search phase), and without pictures, it can be difficult to ascertain the precise location of the STR. It may be necessary for code enforcement staff to pose as a potential guest to gather the necessary evidence the property is being used as an STR. After Santa Monica passed an ordinance to outlaw vacation rentals (home-sharing is allowed under some circumstances with a permit) the city established a vacation rental enforcement task force, a unit of the city's code enforcement division trained to target illegal vacation rental businesses operating in Santa Monica, consisting of two dedicated code enforcement officers and an analyst.

Some cities that prohibit or regulate STRs, including Anaheim, Santa Monica and San Francisco, penalize hosting platforms that violate those cities' rental regulations. In many instances, hosting platforms like Airbnb and Homeaway have filed suit challenging such provisions, contending they violate Airbnb's First Amendment right to free speech, as well as a federal law known as the Communications Decency Act ("CDA"). Airbnb dismissed the Anaheim lawsuit after Anaheim announced it would not pursue criminal or civil penalties against hosting platforms, while Santa Monica's litigation is ongoing.

Generally, the hosting platforms claim that such ordinances violate free speech because they are content-based restrictions on speech that are not narrowly tailored to address the ill they seek to remedy. Instead of targeting speech, for example, the City could instead enforce its STR laws directly against the hosts who violate them. In addition, the hosting platforms allege that such laws would chill free speech because Airbnb would not be able to know which listings are lawful and which are not and, therefore, would have to stop publishing all listings in the cities with such bans. Additionally, the hosting platforms claim that such ordinances are preempted by the CDA because it treats Airbnb as the publisher/speaker of the listings at issue, which is not provided by Airbnb, but rather by third-party hosts. In that regard, the CDA provides that operators of internet services are not to be treated as publishers and, thus, are not liable for the words of third parties who use their services.

San Francisco amended its short-term rental laws in September 2016 (and a recent November 2016 amendment is pending that would decrease the cap on the total number of days a year an unhosted STR may be rented) so that online hosting platforms like Airbnb and Homeaway face penalties, including fines of up to \$1,000 for each illegal booking transaction, if they provide booking services and receive a fee for an illegal short-term rental. As in Anaheim and Santa Monica, Airbnb and Homeaway sued to invalidate the parts of the law that make the hosting platforms responsible for their booking transactions, and they sought a preliminary injunction to prevent San Francisco from enforcing the law against them. A federal judge denied the hosting platforms' request for a preliminary injunction in early November, seemingly rejecting their CDA and First Amendment claims. Following the ruling, Airbnb has publicly signaled its willingness

to work with San Francisco and other cities to provide all local hosts' names, addresses and guest stays as part of a mandatory registration system it would craft with the city. San Francisco's ordinance, known as "the Airbnb Law", is attached to this report as an exhibit, for reference.

The City of Los Angeles, in its staff report to its planning commission on a proposed STR ordinance that was heard just this past June, identified several enforcement issues such as: 1) unless there has been a complaint against a specific property, it is difficult to determine the address from an illegal online listing alone; 2) It is not always clear who is responsible for a listing/rental (property owner/tenant); 3) compliance with any limits on the number of days permitted to be rented each year are difficult to verify; and 4) It will take significant resources and coordination to do the type of pro-active enforcement of online listings needed. The report also notes that hosting platforms have generally not been cooperative without legal or regulatory consequences. L.A.'s solution, according to the report, is to enact an ordinance whereby the platforms must verify compliance with the registration requirements by actively preventing or cancelling any non-permitted listings, among other requirements. It remains to be seen if Airbnb will challenge this part of L.A.'s ordinance (assuming it is enacted as proposed), as it has done with respect to other cities' ordinances. It has just recently been reported, however, that Airbnb has agreed to enforce the 90-day limits of the cities of London and Amsterdam.

Options to Allow/Regulate or Ban Short-Term Rentals

Because the Code does not address STR use, and indeed, the Code's definitions tend to support an argument that STR uses are allowed in zones where residential uses are allowed, staff requests that Council provide direction to amend the Code to either affirmatively allow/regulate and/or ban STRs in some or all zoning districts. Existing ordinances in cities and counties throughout California rely on a number of mechanisms to regulate STRs in a variety of ways. In general, the primary target of local regulations that allow one or more forms of STR activity in residential districts has been the negative community impacts in the form of visitor nuisances, the primary concerns being noise and parking. A secondary concern has been the change in neighborhood character brought about by the proliferation of STRs. The third primary target of local regulations has been the avoidance of paying proper TOTs.

Option 1: Allow But Regulate Some/All Short-Term Rentals In Some/All Zoning Districts

Council may wish to allow STRs in some zoning districts "by right", with or without some form of licensing, either through the existing Business Registration Certificate mechanism, or through creation of a new licensing system. Requiring licensing and registration enables a jurisdiction to maintain a database of units for code enforcement and tax collection purposes, among other benefits. There are a myriad of ways to allow some form of STR use but at the same time regulate the activity – and cities across California are taking a varied approach.

Because complaints related to noise, parking and other nuisances are almost entirely related to STRs where the entire unit is rented out, some jurisdictions have taken the approach of simply prohibiting such STRs, and only allowing "Home Stays" where the owner resides on the property. This is the approach taken by the City of Santa Monica and others. In this model, Home Stays are allowed and simply required to register and pay the required TOT. This approach also largely addresses the concerns regarding an owner's ability to generate revenue to keep their home, the retention of the neighborhood character, and the proper payment of TOTs, since Santa Monica requires a license and the payment of TOTs for any Home Stays. This approach has the advantage of being simple and easy to understand.

Other local jurisdictions, in an effort to allow all types of STRs to coexist peacefully in residential communities, have elected to address the issue in essentially one of two ways. First, some cities have established relatively simple regulations and require that all units register with the jurisdiction, obtain a license and pay TOTs. An example of a relatively simple STR ordinance, that of the City of Desert Hot Springs, is attached to this report as an exhibit, for reference. These ordinances also often include a variety of other regulations such as minimum stay durations, seasonal limits, and occupancy limits. The primary means of addressing the nuisance complaints is through self-regulation. This is accomplished by 24-hour contact information being provided to neighbors and revocation of licenses when problems are not timely addressed. The second approach to allowing STRs to continue to operate is to adopt a more complex and nuanced set of regulations. In addition to the registration, licensing and TOT payment requirements, there are a number of other standards and requirements included in such ordinances, including:

- Limits on the number of rental days;
- Seasonal limits (e.g. no off-season rentals allowed);
- STRs prohibited in certain zones;
- Occupancy limits (typically based on the number of bedrooms);
- Minimum length of stay requirements;
- Outdoor and interior signage regulations;
- 24-hour contacts for property management;
- STR density limits (e.g. maximum number of STRs per district or citywide);
- Prohibitions on events and parties;
- Quiet hours;
- On-site host requirements;
- Neighbor notification requirements;
- Health & safety/compliance inspections (initial and/or annual); and
- Performance/surety bonds.

When more complex regulations are adopted, there may be a more robust permitting process that goes beyond a ministerial permit – such as a conditional use permit. Set forth below are some of the key elements of other cities' and counties' regulations. The variety of approaches reflect the unique nature of each locality; however, there are significant areas of commonality among the regulations.

City of San Francisco

- Host must live in the unit 275 days out of the year as primary residence;
- Register unit and pay fee;
- TOT payment;
- Obtain business registration certificate;
- Maintain liability insurance;
- Sign affidavit ensuring compliance with all laws;
- One host per unit;
- Host limited to a 90-day cap/year if host absent from unit when rented [likely to change to 60-day cap/year based on recent legislation voted on by San Francisco County Board of Supervisors]; and
- No limit on hosted stays.

Santa Cruz County

- Permit required;
- TOT collection and payment (including back TOTs for units operating since 2011);
- 24-hour contact/management within 30 miles;
- Limited to residentially-zoned properties;
- Quiet hours and noise limitations;
- Maximum two occupants per bedroom plus two additional overnight;
- Day-time occupancy limit of twice night-time limit; and
- On-site parking required.

City of Palm Springs

- Limited to single-family dwellings;
- Only the owner can rent the property;
- Unit registration;
- TOT collection and payment;
- Administrative fee;
- Occupant limits tied to number of bedrooms;
- Identify local contact person (with a contract);
- Distribution of a "good neighbor brochure"; and
- City-operated "hot line" – response time requirements.

County of San Luis Obispo

- Zoning clearance in coastal zone/minor use permit inland;
- Notice mailed to all properties within 200' and posted on city website;
- Business license and TOT collection and payment 24-hour contact/management;
- Limited to no more than 4 separate tenancies per month;
- No other uses allowed (e.g. home occupation);
- Maximum two occupants per bedroom plus two additional overnight;
- Trash containers out of sight; and
- On-site parking required.

As of the writing of this report, the City of Los Angeles has not yet finalized its proposed STR ordinance, but in June of 2016, the city's planning commission voted 5-4 to recommend the City Council adopt an ordinance that requires individuals seeking to rent out their dwellings on a short-term basis to register with the city and pay the city's 14 percent hotel bed tax. The proposed ordinance would cap STRs on primary residences at 180 days a year, and vacation rentals that are not the primary residence would be subject to a 15-day cap. It would also include fines of up to \$2,000 per violation and a novel "three strikes" provision which provides that after three separate violations, a person would be barred for at least a year from renting out their dwelling on a short-term basis. A majority of commissioners rejected a motion for no time cap when the owner or primary renter is present. The ordinance would apply to owners of single family homes, condos and townhomes, as well as owners of multifamily properties and primary tenants within those properties.

The complexity of the licensing scheme, and the nature and extent of the regulations imposed on the host, will have a bearing on the administrative costs involved and the amount of additional staff that may need to be hired to enforce any STR ordinance. The size of the City of San Francisco, the number of STRs it has, and its rather complex ordinance has necessitated that city establishing an "Office of Short-Term Residential Rental Administration and

Enforcement” and hiring approximately half a dozen additional staff members. In contrast, Santa Monica has only had to hire approximately three staff members to implement its STR ordinance. It is fairly safe to assume the administrative burden Glendale would bear to administer and enforce an STR permitting scheme would be less than either of these two cities, but would also depend on the scope of the regulations imposed.

Option 2: Ban Short-Term Rentals In Certain/All Zoning Districts

A second option is to ban STR uses in residential districts, or citywide as some jurisdictions have done. As an example, in 2012, New York City banned vacation rentals outright in buildings with three or more units, although home-sharing continues to be allowed. Since the law was enacted, the city has been successful in obtaining preliminary injunctions against vacation rental operations in at least two residential buildings.

Additionally, in September of 2015 the City of West Hollywood adopted an ordinance that clarified the city's prohibition of STRs. The ordinance makes clear that an owner or tenant cannot rent a unit or any portion of a unit for a period of 30 days or less and similarly cannot advertise an offer of such a rental. The City of West Hollywood's website states that a task force the city council convened in 2014 studied STRs and concluded that “[w]hile short-term rentals may provide benefits to individual residents, strong concerns were raised by community members during the Task Force review process about quality-of-life and public safety impacts of short-term rentals, as well as the effect of short-term rentals on affordable housing in West Hollywood.”

However, since the ban on STRs was formally adopted, it has been widely reported that West Hollywood is having great difficulty enforcing the ban. A “Curbed Los Angeles” article recently stated that “. . . [A] new report from the city's public works department indicates these new [STR] rules are largely ignored. Nearly two percent of [West Hollywood's] 25,000 residential units are listed on Airbnb, and 170 code compliance cases have been opened against properties, according to the report. Plus, penalties – which were meant to deter landlords from taking residential units off the rental market – have proven ineffective.” “WeHo Having a Tough Time Enforcing Short-Term Rental Restrictions”, July 16, 2016 (<http://la.curbed.com/2016/7/16/12206658/west-hollywood-airbnb-short-term-rental-ban-weho>). Due to these difficulties, the city is now considering altering the fines for violators of the STR ban to tie those fines to the nightly rental rate (for example, a fine of 200% of the advertised rate for the first violation). Moreover, the City of West Hollywood staff report, which is attached as an exhibit to this report, recommends hiring additional staff to enforce the STR ban and details additional issues West Hollywood's code enforcement is encountering, such as difficulties matching a listing to a location and one to two hours research time spent on each reported illegal STR.

Another city that very recently banned STRs citywide is Anaheim. Prior to banning STRs, in May of 2014, Anaheim amended its zoning code to add STRs as a by-right land use in every residential zone in the city, and simultaneously established a system for permitting and regulating STRs. Following the 2014 ordinance, Anaheim issued approximately 377 permits for STRs. However, due to strong community opposition to the legalization of STRs, in September of 2015, Anaheim passed a moratorium on new STRs so that it could study the potential impacts of the ordinance. Following the moratorium, Anaheim banned STRs in zoning districts that allow residential uses via ordinance effective in August of 2016. As for existing STRs that had acquired a permit to legally operate prior to the ordinance banning the practice, and STRs that had applied as of a certain date, they were given 18 months after the ordinance's effective date before ceasing operation so that they could recoup the costs they reasonably invested for STR uses (known as an “amortization period”). On August 12, 2016, Anaheim property owners

and STR interest groups filed a lawsuit against the city seeking a writ to set aside the ordinance, declaratory relief, an injunction against enforcement of the ordinance, and attorney's fees. The complaint alleges a variety of claims based on violation of CEQA, various procedural violations, equitable estoppel/vested rights, and constitutional violations (takings/due process/equal protection). The City of Anaheim ordinance regarding STRs is attached to this report as an exhibit.

Courts have generally upheld local prohibitions of STRs in residential neighborhoods. Most notably, in Ewing v. City of Carmel-By-The-Sea, 234 Cal. App.3d 1579 (1991), the court of appeal upheld a ban against takings and due process challenges. The court reasoned that maintenance of the character of residential neighborhoods is a proper purpose of local zoning laws and recognized that residential character of a neighborhood is threatened when a significant number of residences are occupied not by permanent residents but by a stream of short term visitors. "Such rentals undoubtedly affect the essential character of a neighborhood and the stability of a community," because such visitors "have little interest in the public agencies or in the welfare of the citizenry." Carmel's ordinance precisely sought to remedy such ill effects of STRs, which was a proper exercise of the City's police powers. Similarly, numerous other courts throughout the Country have similarly upheld local STR prohibitions. See, e.g., Aamodt v. City of Norfolk, Ark., 682 F.3d 735 (8th Cir. 16 2012) (upholding Norfolk, Arkansas's short-term rental ban); Neumont v. Florida, 610 F.3d 1249 (11th Cir. 2010) (upholding Monroe County, Florida's short-term rental restrictions); Siwinski v. Town of Ogden Dunes, 949 N.E.2d 825 (Ind. 2011) (affirming Ogden Dunes, Indiana's prohibition against vacation rentals).

As for vested rights, such a doctrine in the land use context "is subject to the qualification that such a vested right, while immune from divestment through ordinary police power regulations, may be impaired or revoked if the use authorized or conducted thereunder constitutes a menace to the public health and safety or a public nuisance." Highland Development Co. v. City of Los Angeles 170 Cal. App.3d 169, 186 (1985). California cases have firmly held zoning legislation may validly provide for the eventual termination of nonconforming property uses without compensation if it provides a reasonable amortization period commensurate with the investment involved. Castner v. City of Oakland, 129 Cal. App. 3d 94, 96 (1982). Moreover, "[t]he party complaining of the zoning legislation has the burden of establishing the unreasonableness of the amortization period and must provide evidence showing the particular period is unreasonable as to him." City of Whittier v. Walnut Properties, Inc., 149 Cal. App. 3d 633, 644 (1983) (respondent did not meet burden of showing a 120-day amortization period was unreasonable).

In Glendale, several hundred STRs are currently listed and operating, albeit likely in varying degrees of frequency. If the City passed an ordinance banning STRs (even in certain zones only), STR hosts might argue that they acquired a vested right to operate (also known as a legal non-conforming right) that could not be extinguished absent a reasonable amortization period. Because it is unclear whether STRs are currently permitted, staff recommends that any Code amendments banning STRs include an amortization period for any STR that can definitively prove they were in existence prior to the effective date of the ordinance.

Conclusion

STRs are a very fast-growing business, and they bring with them many benefits as well as burdens to a community. They provide a range of rental units at a price that is typically lower than a hotel and a convenient booking system desired by both host and guest. Property owners benefit from being able to have another option to earn residential rental income. However, these rentals may threaten the residential character of Glendale neighborhoods, and pose

potential noise, parking, and sanitation impacts upon established neighborhoods, with associated concerns related to safety and enforcement. Furthermore, studies have suggested that STRS may decrease affordable housing options in the City by removing units from the housing market. Given the many options outlined above, staff is requesting Council direction regarding such options, including the possibility of assessing a fee on STRs to mitigate the loss of affordable units and help fund the production of affordable housing. Following Council direction, staff will return with appropriate Code changes for adoption. Alternatively, the Council can provide direction and refer the matter to the Planning Commission for a formal recommendation that will be scheduled for final action by the City Council. Another option is for Council to request further information through outreach to stakeholder groups, which will be brought back to Council for further discussion.

FISCAL IMPACT

Not applicable.

ALTERNATIVES

Alternative 1: The City Council may provide staff with direction to return (after potential Planning Commission recommendation) with proposed Code amendments to license and regulate STRs or ban STRs in all or some zones.

Alternative 2: The City Council may direct staff to return with more information and/or meet with stakeholder groups.

Alternative 3: The City Council may consider any other alternative not proposed by staff.

CAMPAIGN DISCLOSURE

Not applicable.

EXHIBITS

- Exhibit 1: City and County of San Francisco Ordinance No. 218-14 ("Airbnb Law").
- Exhibit 2: City of Desert Hot Springs Municipal Code, Chapter 5.44 ("Vacation Rentals").
- Exhibit 3: City of Anaheim Municipal Code, Chapter 4.05 ("Short-Term Rentals").
- Exhibit 4: City of Santa Monica Municipal Code, Chapter 6.20 ("Home-Sharing & Vacation Rentals").
- Exhibit 5: County of Santa Cruz Zoning Regulations, Section 13.10.694, *et seq.* ("Vacation Rentals").
- Exhibit 6: City of West Hollywood Staff Report: "Six Month Update to City Council on the Short Term Rental Ban".

MOTION

Moved by Council Member _____, seconded by Council Member _____, that the Council of the City of Glendale, having considered and evaluated the alternatives provided in the staff report, dated December 13, 2016, concerning Allowance, Regulation and/or Prohibition of Short-Term Rentals, hereby provides direction to staff as follows:

Vote as follows:

Ayes:

Noes:

Absent:

Abstain:

APPROVED AS TO FORM

Yvette Mendez
Assistant City Attorney

DATE 12/5/16

8 A 1

AMENDED IN BOARD

10/7/14

FILE NO. 140381

ORDINANCE NO. 218-14

1 [Administrative, Planning Codes - Amending Regulation of Short-Term Residential Rentals
2 and Establishing Fee]

3 **Ordinance amending the Administrative Code to provide an exception for permanent**
4 **residents to the prohibition on short-term residential rentals under certain conditions;**
5 **to create procedures, including a registry administered by the Planning Department, for**
6 **tracking short-term residential rentals and compliance; to establish an application fee**
7 **for the registry; amending the Planning Code to clarify that short-term residential**
8 **rentals shall not change a unit's type as residential; affirming the Planning**
9 **Department's determination under the California Environmental Quality Act; and**
10 **making findings of consistency with the General Plan, and the eight priority policies of**
11 **Planning Code, Section 101.1.**

12 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
13 **Additions to Codes** are in single-underline italics Times New Roman font.
14 **Deletions to Codes** are in ~~strike through italics Times New Roman font~~.
15 **Board amendment additions** are in double-underlined Arial font.
16 **Board amendment deletions** are in ~~strike through Arial font~~.
17 **Asterisks (* * * *)** indicate the omission of unchanged Code
18 subsections or parts of tables.

17 Be it ordained by the People of the City and County of San Francisco:

18 Section 1. The Board of Supervisors of the City and County of San Francisco hereby
19 finds and determines that:

20 (a) General Plan and Planning Code Findings.

21 (1) On August 7, 2014, at a duly noticed public hearing, the Planning
22 Commission in Resolution No. 19213 found that the proposed Planning Code amendments
23 contained in this ordinance were consistent with the City's General Plan and with Planning
24 Code Section 101.1(b) and recommended that the Board of Supervisors adopt the proposed
25 Planning Code amendments. A copy of said Resolution is on file with the Clerk of the Board of

1 Supervisors in File No. 140381 and is incorporated herein by reference. The Board finds that
2 the proposed Planning Code amendments contained in this ordinance are on balance
3 consistent with the City's General Plan and with Planning Code Section 101.1(b) for the
4 reasons set forth in said Resolution.

5 (2) Pursuant to Planning Code Section 302, the Board finds that the
6 proposed ordinance will serve the public necessity, convenience and welfare for the reasons
7 set forth in Planning Commission Resolution No. 19213, which reasons are incorporated
8 herein by reference as though fully set forth.

9 (b) Environmental Findings. The Planning Department has determined that the
10 actions contemplated in this ordinance comply with the California Environmental Quality Act
11 (California Public Resources Code Section 21000 et seq.). Said determination is on file with
12 the Clerk of the Board of Supervisors in File No. 140381 and is incorporated herein by
13 reference. The Board affirms this determination.

14 (c) General Findings.

15 (1) The widespread conversion of residential housing to short-term rentals,
16 commonly referred to as hotelization, was prohibited by this Board because, when taken to
17 extremes, these conversions could result in the loss of housing for permanent residents. But,
18 with the advent of new technology, the rise of the sharing economy, and the economic and
19 social benefits to residents of sharing resources, short-term rental activity continued to
20 proliferate. This has not only led the City to strengthen enforcement of short-term rental laws,
21 but also prompted an examination of parameters to regulate short-term rentals and create a
22 pathway to legalize this activity. The goal of regulation is to ensure compliance with all
23 requirements of the Municipal Code, including but not limited to the Business and Tax
24 Regulations Code and the Residential Rent Stabilization and Arbitration Ordinance, and
25 accountability for neighborhood quality of life.

1 (2) The exception created here for permanent residents would allow for
2 reasonable flexibility in renting residential spaces on an occasional basis; however, this
3 exception is only intended for residents who meet the definition of permanent resident so that
4 these units remain truly residential in use. Thus, the exception is only for primary residences
5 in which permanent residents are present for a significant majority of the calendar year.

6 (3) The hosting platforms, as part of a new but growing industry, would also
7 benefit from regulation to ensure good business standards and practices. Such regulation
8 includes required notification to users of local short-term rental laws and transient occupancy
9 tax obligations to San Francisco.

10 (4) The Office of the Treasurer & Tax Collector retains all of its existing
11 authority under the Business & Tax Regulations Code with regard to the subject matter of this
12 ordinance.

13
14 Section 2. The Administrative Code is hereby amended by revising Sections 37.9(a),
15 41A.4, 41A.5, and 41A.6, to read as follows:

16
17 **SEC. 37.9. EVICTIONS.** Notwithstanding Section 37.3, this Section shall apply as of
18 August 24, 1980, to all landlords and tenants of rental units as defined in Section 37.2(r).

- 19 (a) A landlord shall not endeavor to recover possession of a rental unit unless:
- 20 (1) The tenant:
- 21 (A) Has failed to pay the rent to which the landlord is lawfully entitled
22 under the oral or written agreement between the tenant and landlord:
- 23 (i) Except that a tenant's nonpayment of a charge prohibited
24 by Section 919.1 of the Police Code shall not constitute a failure to pay rent; and
25

1 (ii) Except that, commencing August 10, 2001, to and including
2 February 10, 2003, a landlord shall not endeavor to recover or recover possession of a rental
3 unit for failure of a tenant to pay that portion of rent attributable to a capital improvement
4 passthrough certified pursuant to a decision issued after April 10, 2000, where the capital
5 improvement passthrough petition was filed prior to August 10, 2001, and a landlord shall not
6 impose any late fee(s) upon the tenant for such non-payment of capital improvements costs;
7 or

8 (B) Habitually pays the rent late; or

9 (C) Gives checks which are frequently returned because there are
10 insufficient funds in the checking account; or

11 (2) The tenant has violated a lawful obligation or covenant of tenancy other
12 than the obligation to surrender possession upon proper notice or other than an obligation to
13 pay a charge prohibited by Police Code Section 919.1, and failure to cure such violation after
14 having received written notice thereof from the landlord.

15 (A) Provided that notwithstanding any lease provision to the contrary,
16 a landlord shall not endeavor to recover possession of a rental unit as a result of subletting of
17 the rental unit by the tenant if the landlord has unreasonably withheld the right to sublet
18 following a written request by the tenant, so long as the tenant continues to reside in the rental
19 unit and the sublet constitutes a one-for-one replacement of the departing tenant(s). If the
20 landlord fails to respond to the tenant in writing within fourteen (14) days of receipt of the
21 tenant's written request, the tenant's request shall be deemed approved by the landlord.

22 (B) Provided further that where a rental agreement or lease provision
23 limits the number of occupants or limits or prohibits subletting or assignment, a landlord shall
24 not endeavor to recover possession of a rental unit as a result of the addition to the unit of a
25 tenant's child, parent, grandchild, grandparent, brother or sister, or the spouse or domestic

1 partner (as defined in Administrative Code Sections 62.1 through 62.8) of such relatives, or as
2 a result of the addition of the spouse or domestic partner of a tenant, so long as the maximum
3 number of occupants stated in Section 37.9(a)(2)(B)(i) and (ii) is not exceeded, if the landlord
4 has unreasonably refused a written request by the tenant to add such occupant(s) to the unit.
5 If the landlord fails to respond to the tenant in writing within fourteen (14) days of receipt of the
6 tenant's written request, the tenant's request shall be deemed approved by the landlord. A
7 landlord's reasonable refusal of the tenant's written request may not be based on the
8 proposed additional occupant's lack of creditworthiness, if that person will not be legally
9 obligated to pay some or all of the rent to the landlord. A landlord's reasonable refusal of the
10 tenant's written request may be based on, but is not limited to, the ground that the total
11 number of occupants in a unit exceeds (or with the proposed additional occupant(s) would
12 exceed) the lesser of (i) or (ii):

13 (i) Two persons in a studio unit, three persons in a one-
14 bedroom unit, four persons in a two-bedroom unit, six persons in a three-bedroom unit, or
15 eight persons in a four-bedroom unit; or

16 (ii) The maximum number permitted in the unit under
17 state law and/or other local codes such as the Building, Fire, Housing and Planning Codes; or

18 (3) The tenant is committing or permitting to exist a nuisance in, or is causing
19 substantial damage to, the rental unit, or is creating a substantial interference with the
20 comfort, safety or enjoyment of the landlord or tenants in the building, and the nature of such
21 nuisance, damage or interference is specifically stated by the landlord in writing as required
22 by Section 37.9(c); or

23 (4) The tenant is using or permitting a rental unit to be used for any illegal
24 purpose, provided however that a landlord shall not endeavor to recover possession of a rental unit

25

1 solely as a result of a first violation of Chapter 41A that has been cured within 30 days written notice to
2 the tenant; or

3 (5) The tenant, who had an oral or written agreement with the landlord which
4 has terminated, has refused after written request or demand by the landlord to execute a
5 written extension or renewal thereof for a further term of like duration and under such terms
6 which are materially the same as in the previous agreement; provided, that such terms do not
7 conflict with any of the provisions of this Chapter; or

8 (6) The tenant has, after written notice to cease, refused the landlord access
9 to the rental unit as required by State or local law; or

10 (7) The tenant holding at the end of the term of the oral or written agreement
11 is a subtenant not approved by the landlord; or

12 (8) The landlord seeks to recover possession in good faith, without ulterior
13 reasons and with honest intent:

14 (i) For the landlord's use or occupancy as his or her principal
15 residence for a period of at least 36 continuous months;

16 (ii) For the use or occupancy of the landlord's grandparents,
17 grandchildren, parents, children, brother or sister, or the landlord's spouse, or the spouses of
18 such relations, as their principal place of residency for a period of at least 36 months, in the
19 same building in which the landlord resides as his or her principal place of residency, or in a
20 building in which the landlord is simultaneously seeking possession of a rental unit under
21 Section 37.9(a)(8)(i). For purposes of this Section 37.9(a)(8)(ii), the term spouse shall include
22 domestic partners as defined in San Francisco Administrative Code Sections 62.1 through
23 62.8.

24 (iii) For purposes of this Section 37.9(a)(8) only, as to landlords who
25 become owners of record of the rental unit on or before February 21, 1991, the term "landlord"

1 shall be defined as an owner of record of at least 10 percent interest in the property or, for
2 Section 37.9(a)(8)(i) only, two individuals registered as domestic partners as defined in San
3 Francisco Administrative Code Sections 62.1 through 62.8 whose combined ownership of
4 record is at least 10 percent. For purposes of this Section 37.9(a)(8) only, as to landlords who
5 become owners of record of the rental unit after February 21, 1991, the term "landlord" shall
6 be defined as an owner of record of at least 25 percent interest in the property or, for Section
7 37.9(a)(8)(i) only, two individuals registered as domestic partners as defined in San Francisco
8 Administrative Code Sections 62.1 through 62.8 whose combined ownership of record is at
9 least 25 percent.

10 (iv) A landlord may not recover possession under this Section
11 37.9(a)(8) if a comparable unit owned by the landlord is already vacant and is available, or if
12 such a unit becomes vacant and available before the recovery of possession of the unit. If a
13 comparable unit does become vacant and available before the recovery of possession, the
14 landlord shall rescind the notice to vacate and dismiss any action filed to recover possession
15 of the premises. Provided further, if a noncomparable unit becomes available before the
16 recovery of possession, the landlord shall offer that unit to the tenant at a rent based on the
17 rent that the tenant is paying, with upward or downward adjustments allowed based upon the
18 condition, size, and other amenities of the replacement unit. Disputes concerning the initial
19 rent for the replacement unit shall be determined by the Rent Board. It shall be evidence of a
20 lack of good faith if a landlord times the service of the notice, or the filing of an action to
21 recover possession, so as to avoid moving into a comparable unit, or to avoid offering a
22 tenant a replacement unit.

23 (v) It shall be rebuttably presumed that the landlord has not acted in
24 good faith if the landlord or relative for whom the tenant was evicted does not move into the
25

1 rental unit within three months and occupy said unit as that person's principal residence for a
2 minimum of 36 continuous months.

3 (vi) Once a landlord has successfully recovered possession of a rental
4 unit pursuant to Section 37.9(a)(8)(i), then no other current or future landlords may recover
5 possession of any other rental unit in the building under Section 37.9(a)(8)(i). It is the intention
6 of this Section that only one specific unit per building may be used for such occupancy under
7 Section 37.9(a)(8)(i) and that once a unit is used for such occupancy, all future occupancies
8 under Section 37.9(a)(8)(i) must be of that same unit, provided that a landlord may file a
9 petition with the Rent Board, or at the landlord's option, commence eviction proceedings,
10 claiming that disability or other similar hardship prevents him or her from occupying a unit
11 which was previously occupied by the landlord.

12 (vii) If any provision or clause of this amendment to Section 37.9(a)(8)
13 or the application thereof to any person or circumstance is held to be unconstitutional or to be
14 otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other
15 chapter provisions, and clauses of this Chapter are held to be severable; or

16 (9) The landlord seeks to recover possession in good faith in order to sell the
17 unit in accordance with a condominium conversion approved under the San Francisco
18 subdivision ordinance and does so without ulterior reasons and with honest intent; or

19 (10) The landlord seeks to recover possession in good faith in order to
20 demolish or to otherwise permanently remove the rental unit from housing use and has
21 obtained all the necessary permits on or before the date upon which notice to vacate is given,
22 and does so without ulterior reasons and with honest intent; provided that a landlord who
23 seeks to recover possession under this Section 37.9(a)(10) shall pay relocation expenses as
24 provided in Section 37.9C except that a landlord who seeks to demolish an unreinforced
25 masonry building pursuant to Building Code Chapters 16B and 16C must provide the tenant

1 with the relocation assistance specified in Section 37.9A(f) below prior to the tenant's vacating
2 the premises; or

3 (11) The landlord seeks in good faith to remove temporarily the unit from
4 housing use in order to be able to carry out capital improvements or rehabilitation work and
5 has obtained all the necessary permits on or before the date upon which notice to vacate is
6 given, and does so without ulterior reasons and with honest intent. Any tenant who vacates
7 the unit under such circumstances shall have the right to reoccupy the unit at the prior rent
8 adjusted in accordance with the provisions of this Chapter. The tenant will vacate the unit only
9 for the minimum time required to do the work. On or before the date upon which notice to
10 vacate is given, the landlord shall advise the tenant in writing that the rehabilitation or capital
11 improvement plans are on file with the Central Permit Bureau of the Department of Building
12 Inspection and that arrangements for reviewing such plans can be made with the Central
13 Permit Bureau. In addition to the above, no landlord shall endeavor to recover possession of
14 any unit subject to a RAP loan as set forth in Section 37.2(m) of this Chapter except as
15 provided in Section 32.69 of the San Francisco Administrative Code. The tenant shall not be
16 required to vacate pursuant to this Section 37.9(a)(11), for a period in excess of three months;
17 provided, however, that such time period may be extended by the Board or its Administrative
18 Law Judges upon application by the landlord. The Board shall adopt rules and regulations to
19 implement the application procedure. Any landlord who seeks to recover possession under
20 this Section 37.9(a)(11) shall pay relocation expenses as provided in Section 37.9C; or

21 (12) The landlord seeks to recover possession in good faith in order to carry
22 out substantial rehabilitation, as defined in Section 37.2(s), and has obtained all the necessary
23 permits on or before the date upon which notice to vacate is given, and does so without
24 ulterior reasons and with honest intent. Notwithstanding the above, no landlord shall endeavor
25 to recover possession of any unit subject to a RAP loan as set forth in Section 37.2(m) of this

1 Chapter except as provided in Section 32.69 of the San Francisco Administrative Code; Any
2 landlord who seeks to recover possession under this Section 37.9(a)(12) shall pay relocation
3 expenses as provided in Section 37.9C; or

4 (13) The landlord wishes to withdraw from rent or lease all rental units within
5 any detached physical structure and, in addition, in the case of any detached physical
6 structure containing three or fewer rental units, any other rental units on the same lot, and
7 complies in full with Section 37.9A with respect to each such unit; provided, however, that
8 guestrooms or efficiency units within a residential hotel, as defined in Section 50519 of the
9 Health and Safety Code, may not be withdrawn from rent or lease if the residential hotel has a
10 permit of occupancy issued prior to January 1, 1990, and if the residential hotel did not send a
11 notice of intent to withdraw the units from rent or lease (Administrative Code Section 37.9A(f),
12 Government Code Section 7060.4(a)) that was delivered to the Rent Board prior to January 1,
13 2004; or

14 (14) The landlord seeks in good faith to temporarily recover possession of the
15 unit solely for the purpose of effecting lead remediation or abatement work, as required by
16 San Francisco Health Code Articles 11 or 26. The tenant will vacate the unit only for the
17 minimum time required to do the work. The relocation rights and remedies, established by
18 San Francisco Administrative Code Chapter 72, including but not limited to, the payment of
19 financial relocation assistance, shall apply to evictions under this Section 37.9(a)(14).

20 (15) The landlord seeks to recover possession in good faith in order to
21 demolish or to otherwise permanently remove the rental unit from housing use in accordance
22 with the terms of a development agreement entered into by the City under Chapter 56 of the
23 San Francisco Administrative Code.

24 (16) The tenant's Good Samaritan Status (Section 37.2(a)(1)(D)) has expired,
25 and the landlord exercises the right to recover possession by serving a notice of termination of

1 tenancy under this Section 37.9(a)(16) within 60 days after expiration of the Original and any
2 Extended Good Samaritan Status Period.

3 * * * *

4
5 **SEC. 41A.4. DEFINITIONS.**

6 Whenever used in this Chapter 41A, the following words and phrases shall have the definitions
7 provided in this Section:

8 Business Entity. A corporation, partnership, or other legal entity that is not a natural
9 person that owns or leases one or more residential units.

10 Complaint. A complaint submitted to the Department by an interested party alleging
11 a violation of this Chapter 41A and that includes the rResidential uUnit's address, including unit
12 number, date(s) and nature of alleged violation(s), and any available contact information for the
13 oOwner and/or resident of the rResidential uUnit at issue.

14 Conversion or Convert. A change of use from rResidential uUse to tTourist or
15 tTransient uUse, including, but not limited to, renting a rResidential uUnit as a tTourist or tTransient
16 uUse.

17 Department. The Planning Department.

18 Director. The Director of the Planning Department.

19 Hosting Platform. A person or entity that provides a means through which an oOwner
20 may offer a rResidential uUnit for tTourist or tTransient uUse. This service is usually, though not
21 necessarily, provided through an online platform and generally allows an oOwner to advertise the
22 rResidential uUnit through a website provided by the hHosting pPlatform and provides a means for
23 potential tourist or transient users to arrange tTourist or tTransient uUse and payment, whether the
24 tourist or transient pays rent directly to the oOwner or to the hHosting pPlatform.

1 Interested Party. A ~~p~~Permanent ~~r~~Resident of the building in which the ~~t~~Tourist or
2 ~~t~~Transient ~~u~~Use is alleged to occur, any homeowner association ~~o~~associated with the building
3 Residential Unit in which the Tourist or Transient Use is alleged to occur, the Owner of the
4 Residential Unit in which the Tourist or Transient Use is alleged to occur, the City and County of
5 San Francisco, or any non-profit organization exempt from taxation pursuant to Title 26, Section 501
6 of the United States Code, which has the preservation or improvement of housing as a stated purpose in
7 its articles of incorporation or bylaws.

8 Owner. Owner includes any person who is the owner of record of the real property. As
9 used in this Chapter 41A, the term "Owner" includes a lessee where the lessee is offering a
10 ~~r~~Residential ~~u~~Unit for ~~t~~Tourist or ~~t~~Transient use.

11 Permanent Resident. A person who occupies a ~~r~~Residential ~~u~~Unit for at least 60
12 consecutive days with intent to establish that unit as his or her primary residence. A ~~p~~Permanent
13 ~~r~~Resident may be an owner or a lessee.

14 Primary Residence. The ~~p~~Permanent ~~r~~Resident's usual place of return for housing as
15 documented by at least two of the following: motor vehicle registration; driver's license; voter
16 registration; tax documents showing the Residential Unit as the Permanent Resident's
17 residence for the purposes of a home owner's tax exemption; or other such evidence a utility bill.
18 A person may have only one Primary Residence.

19 (e) — Residential Unit. Room or rooms, including a condominium or a room or
20 dwelling unit that forms part of a tenancy-in-common arrangement, in any building, or portion
21 thereof, which is designed, built, rented, leased, let or hired out to be occupied for ~~r~~Residential
22 ~~u~~Use, or which is occupied as the home or residence of four or more households living independently
23 of each other in dwelling units as defined in the San Francisco Housing Code, provided that the
24 residential unit was occupied by a permanent resident on or after February 8, 1981. It is presumed that
25

1 ~~a residential unit was occupied by a permanent resident on or after February 8, 1981, and the owner~~
2 ~~has the burden of proof to show that a residential unit is not subject to this Chapter.~~

3 (b) ~~Residential Use.~~ Any use for occupancy of a ~~dwelling~~ Residential Unit by a
4 Permanent Resident.

5 Short-Term Residential Rental. A Tourist or Transient Use where all of the
6 following conditions are met:

7 (a) the Residential Unit is offered for Tourist or Transient Use by the
8 Permanent Resident of the Residential Unit:

9 (b) the Permanent Resident is a natural person;

10 (c) the Permanent Resident has registered the Residential Unit and maintains
11 good standing on the Department's Short-Term Residential Rental Registry; and

12 (d) the Residential Unit is not subject to the Inclusionary Affordable Housing
13 Program set forth in Planning Code Section 415 et seq.; is not a residential hotel unit as defined in
14 subject to the provisions of Chapter 41, unless such unit has been issued a Permit to Convert
15 under Section 41.12; is not otherwise designated as a below market rate or income-
16 restricted Residential Unit under City, state, or federal law; and no other requirement of federal or
17 state law, this Municipal Code, or any other applicable law or regulation prohibits the
18 permanent resident from subleasing, renting, or otherwise allowing Short-Term Residential Rental of
19 the Residential Unit.

20 Short-Term Residential Rental Registry or Registry. A database of information
21 maintained by the Department that includes information regarding Permanent Residents who are
22 permitted to offer Residential Units for Short-Term Residential Rental. Only one Permanent
23 Resident per Residential Unit may be included on the Registry at any given time. The Registry
24 shall be available for public review to the extent required by law, except that, to the extent permitted by
25

1 law, the Department shall redact any ~~p~~Permanent ~~r~~Resident names from the records available for
2 public review.

3 (e) — ~~Tourist or Transient Use.~~ Any Use of a ~~r~~Residential ~~u~~Unit for occupancy for
4 less than a 30-day term of tenancy, or occupancy for less than 30 days of a ~~r~~Residential ~~u~~Unit
5 leased or owned by a ~~b~~Business ~~e~~Entity, whether on a short-term or long-term basis,
6 including any occupancy by employees or guests of a ~~b~~Business ~~e~~Entity for less than 30 days
7 where payment for the ~~r~~Residential ~~u~~Unit is contracted for or paid by the ~~b~~Business ~~e~~Entity.

8 (d) — ~~Permanent Resident.~~ A person who occupies a residential unit for at least 60
9 consecutive days with intent to establish that unit as his or her principal place of residence.

10 (e) — ~~Conversion or Convert.~~ The change of the use or to rent a residential unit from
11 residential use to tourist or transient use.

12 (f) — ~~Owner.~~ Owner includes any person who is the owner of record of the real property.
13 Owner includes a lessee where an interested party alleges that a lessee is offering a residential unit for
14 tourist or transient use.

15 (g) — ~~Interested Party.~~ A permanent resident of the building in which the tourist or transient
16 use is alleged to occur, the City and County of San Francisco, or any non profit organization exempt
17 from taxation pursuant to Title 26, Section 501 of the United States Code, which has the preservation
18 or improvement of housing as a stated purpose in its articles of incorporation or bylaws.

19 (h) — ~~Director.~~ The Director of the Department of Building Inspection.

20
21 **SEC. 41A.5. UNLAWFUL CONVERSION; REMEDIES.**

22 (a) **Unlawful Actions.** Except as set forth in subsection 41A.5(g), it shall be unlawful
23 for

24 (1) any Qowner to offer an ~~an apartment~~ ~~R~~residential ~~U~~unit for rent for ~~T~~ourist or
25 ~~T~~ransient ~~U~~use;

1 (2) any Owner to offer a Residential Unit for rent to a Business Entity
2 that will allow the use of a Residential Unit for Tourist or Transient Use; or

3 (3) any Business Entity to allow the use of a Residential Unit for Tourist
4 or Transient Use.

5 (b) **Records Required.** The Owner and Business Entity, *if any*, shall retain and
6 make available to the Department ~~or Building Inspection occupancy~~ records to demonstrate
7 compliance with this Chapter 41A upon written request as provided herein. Any Permanent Resident
8 offering his or her Primary Residence as a Short-Term Residential Rental shall retain and make
9 available to the Department records to demonstrate compliance with this Chapter 41A, including but
10 not limited to records demonstrating Primary Residency, and the number of days per calendar year he
11 or she has occupied the Residential Unit, and the number of days per calendar year, with dates
12 and the duration of each stay, the Residential Unit has been rented for Short-Term Residential
13 Rental Use.

14 (c) **Determination of Violation.** Upon the filing of a written Complaint that an
15 Owner or Business Entity has engaged in an alleged unlawful eConversion has occurred or
16 that a Hosting Platform is not complying with the requirements of subsection (g)(54)(A), the
17 Director shall take reasonable steps necessary to determine the validity of the Complaint.
18 The Director may independently determine whether an Owner or Business Entity may be
19 renting a Residential Unit for Tourist or Transient Use ~~as defined~~ in violation of this Chapter
20 41A or whether a Hosting Platform has failed to comply with the requirements of subsection
21 (g)(54)(A). To determine if there is a violation of this Chapter 41A, the Director may initiate an
22 investigation of the subject property or Hosting Platform's allegedly unlawful activities. This
23 investigation may include, but is not limited to, an inspection of the subject property and/or a
24 request for any pertinent information from the Owner, ~~or Business Entity,~~ or Hosting Platform,
25 such as leases, business records, or other documents. The Director shall have discretion to

1 determine whether there is a potential violation of this Chapter 41A and whether to conduct an
2 administrative review hearing as set forth below. Notwithstanding any other provision of this
3 Chapter 41A, any alleged violation related to failure to comply with the requirements of the
4 Business and Tax Regulations Code shall be enforced by the Treasurer/Tax Collector under
5 the provisions of that Code.

6 (d) **Civil Action.** Following the filing of a Complaint and the determination of a
7 violation by the Director through an administrative review hearing as set forth in this Chapter
8 41A, the City and County of San Francisco may institute civil proceedings for injunctive and
9 monetary relief against a Hosting Platform for violation of subsection (g)(4)(A) or the City or
10 any other interested party may institute civil proceedings for injunctive and monetary relief
11 against an Owner or Business Entity. In addition, the an Owner, or, or Business Entity in
12 violation of this Chapter or a Hosting Platform in violation of subsection (g)(4)(A) may be liable
13 for civil penalties of not more than \$1,000 per day for the period of the unlawful rental activity. If
14 the City or the interested party is the prevailing party, the City or the interested party shall
15 be entitled to the costs of enforcing this Chapter 41A, including reasonable attorneys' fees, ~~up~~
16 ~~to the amount of the monetary award,~~ pursuant to an order of the Court. Any monetary award
17 obtained by the City and County of San Francisco in such a civil action shall be deposited in
18 the Mayor's Office of Housing, Housing Affordability Fund less the reasonable costs incurred
19 by the City and County of San Francisco in pursuing the civil action. Department to be used for
20 enforcement of Chapter 41A. The Department, through the use of these funds, shall
21 reimburse City departments and agencies, including the City Attorney's Office, for all costs
22 and fees incurred in the enforcement of this Chapter 41A.

23 (e) **Criminal Penalties.** Any Owner or Business Entity who rents a Residential
24 Unit for Tourist or Transient Use as defined in violation of this Chapter 41A without correcting
25 or remedying the violation as provided for in subsection 41A.6(b)(7) shall be guilty of a

1 misdemeanor. Any person convicted of a misdemeanor hereunder shall be punishable by a
2 fine of not more than \$1,000 or by imprisonment in the County Jail for a period of not more
3 than six months, or by both. Each Residential Unit rented for Tourist or Transient Use
4 shall constitute a separate offense.

5 (f) **Method of Enforcement, Director.** The Director shall have the authority to
6 enforce this Chapter against violations thereof by any or all of the means provided for in this
7 Chapter 41A.

8 (g) Exception for Short-Term Residential Rental.

9 (1) Notwithstanding the restrictions set forth in this Section 41A.5, a Permanent
10 Resident may offer his or her Primary Residence as a Short-Term Residential Rental if he or she:

11 (A) occupies the Residential Unit for no less than 275 days out of the preceding per out of
12 any given the calendar year in which the Residential Unit is rented as a Short-Term Residential
13 Rental or, proportional share thereof if he or she if the Permanent Resident has not rented or
14 owned the Residential Unit for the full preceding calendar year, for no less than 75% of the
15 days he or she has owned or rented the Residential Unit;

16 (B) The Permanent Resident maintains records for two years
17 demonstrating compliance with this Chapter, including but not limited to information demonstrating
18 Primary Residency, the number of days per calendar year he or she has occupied the Residential Unit,
19 the number of days per calendar year the Residential Unit has been rented as a Short-Term
20 Residential Rental, and compliance with the insurance requirement in Subsection (D). These records
21 shall be made available to the Department upon request;

22 (C) The Permanent Resident complies with any and all applicable
23 provisions of state and federal law and the San Francisco Municipal Code, including but not limited to
24 the requirements of the Business and Tax Regulations Code by, among any other applicable
25

1 requirements, collecting and remitting all required transient occupancy taxes, and the occupancy
2 requirements of the Housing Code:

3 (D) The Permanent Resident maintains homeowner's or renter's
4 property or casualty liability insurance appropriate to cover the Short-Term Residential Rental
5 Use in the aggregate of not less than \$150,000 \$500,000 or conducts each Short-Term Residential
6 Rental transaction through a Hosting Platform that provides a guarantee program relating to
7 property damage in an amount not less than \$150,000 to owners per incident equal or greater
8 coverage. Such coverage shall defend and indemnify the Owner(s), as named additional
9 insured, and any tenant(s) in the building for their bodily injury and property damage arising
10 from the Short-Term Residential Use:

11 (E) registers, and maintains registry of, the The Residential Unit is
12 registered on the Short-Term Residential Rental Registry prior to offering the Residential Unit for
13 use as a Short-Term Residential Rental. Offering a Residential Unit for Short-Term
14 Residential Rental while not maintaining good standing on the registry shall constitute a
15 violation of this Chapter 44A, and

16 (F) includes The Permanent Resident includes the Department-issued
17 registration number is included on any Hosting Platform listing or other listing offering the
18 Residential Unit for use as a Short-Term Residential Rental;

19 (G) For units subject to the rent control provisions of Section 37.3, the
20 Permanent Resident complies with the initial rent limitation for subtenants and charges no more rent
21 than the rent the primary Permanent Resident is paying to any landlord per month; and

22 (H) The Permanent Resident can demonstrate to the satisfaction of the
23 Department that the Residential Unit and the property on which it is located is not subject to any
24 outstanding Building, Electrical, Plumbing, Mechanical, Fire, Health, Housing, Police, or Planning
25 Code enforcement, including any notices of violation, notices to cure, orders of abatement, cease and

1 desist orders, or correction notices. The Department shall not include a property that is subject to any
2 such outstanding violations in the Registry. If such a violation occurs once a Residential Unit has
3 been included in the Registry, the Department shall suspend the Residential Unit's registration
4 and registration number until the violation has been cured.

5 (2) Additional Requirements.

6 (A) Offering a Residential Unit for Short-Term Residential Rental,
7 including but not limited to advertising the Residential Unit's availability, while not maintaining
8 good standing on the Registry shall constitute an unlawful conversion in violation of this
9 Chapter 41A and shall subject the person or entity offering the unit in such a manner to the
10 administrative penalties and enforcement procedures, including civil penalties, of this Chapter.

11 (B) Only one Permanent Resident may be associated with a
12 Residential Unit on the Registry, and it shall be unlawful for any other person, even if that
13 person meets the qualifications of a "Permanent Resident", to offer a Residential Unit for
14 Short-Term Residential Rental.

15 (C) A Permanent Resident offering a Residential Unit for Short-Term
16 Residential Rental shall maintain a valid business registration certificate.

17 (D) A Permanent Resident offering a Residential Unit for Short-Term
18 Residential Rental shall post a clearly printed sign inside his or her Residential Unit on the
19 inside of the front door that provides information regarding the location of all fire extinguishers
20 in the unit and building, gas shut off valves, fire exits, and pull fire alarms.

21 (23) Short-Term Residential Rental Registry Applications, and Fee, and Reporting
22 Requirement.

23 (A) Application. Registration shall be for a two-year term, which may be
24 renewed by the Permanent Resident by filing a completed renewal application. Initial and renewal
25 applications shall be in a form prescribed by the Department. The Department shall determine, in its

1 sole discretion, the completeness of an application. Upon receipt of a complete initial application,
2 the Department shall send mailed notice to the owner of record of the Residential Unit,
3 informing the owner that an application to the Registry for the unit has been received. If the
4 Residential Unit is in a RH-1(D) zoning district, the Department shall also send mailed notice
5 to any directly associated homeowner association that has previously requested such notice.

6 Both the initial application and any renewal application shall contain information sufficient to
7 show that the Residential Unit is the Primary Residence of the applicant, and that the applicant is the
8 unit's Permanent Resident, and that the applicant has the required insurance coverage and
9 business registration certificate. In addition to the information set forth here, the Department may
10 require any other additional information necessary to show the Permanent Resident's compliance with
11 this Chapter 41A. Primary Residency may shall be established by showing the Residential Unit is
12 listed as the applicant's residence on at least two of the following: any motor vehicle registration;
13 driver's license; or voter registration; or tax documents showing the Residential Unit as the
14 Permanent Resident's Primary Residence for home owner's tax exemption purposes, and/or any
15 other information as required by the Department utility bill. A renewal application shall contain
16 sufficient information to show that the applicant is the Permanent Resident and has occupied the unit
17 for at least 275 days of each of the two preceding calendar years. Upon the Department's
18 determination that an application is complete, the unit shall be entered into the Short-Term Residential
19 Rental Registry and assigned an individual registration number.

20 (B) Fee. The fee for the initial application and for each renewal shall be
21 \$50, payable to the Director. The application fee shall be due at the time of application. Beginning with
22 fiscal year 2014-2015, fees set forth in this Section may be adjusted each year, without further action
23 by the Board of Supervisors, as set forth in this Section. Not later than April 4th Within six months of
24 the effective operative date of this ordinance and after holding a duly noticed informational
25 hearing at the Planning Commission, the Director shall report to the Controller the revenues

1 generated by the fees for the prior fiscal year and the prior fiscal year's costs of establishing and
2 maintaining the registry and enforcing the requirements of this Chapter 41A, as well as any other
3 information that the Controller determines appropriate to the performance of the duties set forth in this
4 Chapter. After the hearing by the Planning Commission, but ~~Not later than May 15~~ August 1,
5 2015, the Controller shall determine whether the current fees have produced or are projected to
6 produce revenues sufficient to support the costs of establishing and maintaining the registry, enforcing
7 the requirements of this Chapter 41A and any other services set forth in this Chapter and that the
8 fees will not produce revenue that is significantly more than the costs of providing such services. The
9 Controller shall, if necessary, adjust the fees upward or downward for the upcoming fiscal year as
10 appropriate to ensure that the program recovers the costs of operation without producing revenue that
11 is significantly more than such costs. The adjusted rates shall become operative on July 1.

12 (C) Reporting Requirement. To maintain good standing on the
13 Registry, the Permanent Resident shall submit a report to the Department on January 1 of
14 each year regarding the number of days the Residential Unit or any portion thereof has been
15 rented as a Short-Term Residential Rental since either initial registration or the last report,
16 whichever is more recent, and any additional information the Department may require to
17 demonstrate compliance with this Chapter 41A.

18 (454) Requirements for Hosting Platforms.

19 (A) Notice to Users of Hosting Platform. All Hosting Platforms shall provide
20 the following information in a notice to any user listing a Residential Unit located within the City and
21 County of San Francisco through the Hosting Platform's service. The notice shall be provided prior to
22 the user listing the Residential Unit and shall include the following information: that Administrative
23 Code Chapters 37 and 41A regulate Short-Term Rental of Residential Units; the requirements for
24 Permanent Residency and registration of the unit with the Department; and the transient occupancy tax
25 obligations to the City.

1 (B) A Hosting Platform shall comply with the requirements of the Business
2 and Tax Regulations Code by, among any other applicable requirements, collecting and remitting all
3 required Transient Occupancy Taxes, and this provision shall not relieve a Hosting Platform of liability
4 related to an occupant's, resident's, Business Entity's, or Owner's failure to comply with the
5 requirements of the Business and Tax Regulations Code. A Hosting Platform shall maintain a record
6 demonstrating that the taxes have been remitted to the Tax Collector and shall make this
7 record available to the Department Tax Collector upon request. Additionally, a Hosting
8 Platform's failure to provide the required notice to users under subsection 41A.5(g)(4)(A) shall
9 be a violation of this Chapter.

10 (C) Any such violation of a Hosting Platform's responsibilities under this
11 subsection (g)(5)(A) shall subject the Hosting Platform to the administrative penalties and
12 enforcement provisions of this Chapter, including but not limited to payment of civil penalties a
13 fine payable to the Department of up to \$1,000 per day for the period of the failure to
14 comply provide notice or the failure to provide the required information to the Department, with
15 the exception that any violation related to failure to comply with the requirements of the
16 Business and Tax Regulations Code shall be enforced by the Treasurer/Tax Collector under
17 that Code.

18 (565) The exception set forth in this subsection (g) provides an exception only to the
19 requirements of this Chapter 41A. It does not confer a right to lease, sublease, or otherwise offer a
20 residential unit for Short-Term Residential Use where such use is not otherwise allowed by law, a
21 homeowners association agreement or requirements, any applicable covenant, condition, and
22 restriction, a rental agreement, or any other restriction, requirement, or enforceable agreement. All
23 Owners and residents are required to comply with the requirements of Administrative Code Chapter
24 37, the Residential Rent Stabilization and Arbitration Ordinance, including but not limited to the
25 requirements of Section 37.3(c).

1 (676) Department Contact Person. The Department shall designate a contact person
2 for members of the public who wish to file Complaints under this Chapter or who otherwise seek
3 information regarding this Chapter or Short-Term Residential Rentals. This contact person shall also
4 provide information to the public upon request regarding quality of life issues, including for example
5 noise violations, vandalism, or illegal dumping, and shall direct the member of the public and/or
6 forward any such Complaints to the appropriate City department.

7 (787) Notwithstanding any other provision of this Chapter, nothing in this Chapter
8 shall relieve an individual, Business Entity, or Hosting Platform of the obligations imposed by any and
9 all applicable provisions of state law and the San Francisco Municipal Code including but not limited
10 to those obligations imposed by the Business and Tax Regulations Code. Further, nothing in this
11 Chapter shall be construed to limit any remedies available under any and all applicable provisions of
12 state law and the San Francisco Municipal Code including but not limited to the Business and Tax
13 Regulations Code.

14 (98) Annual Department Reporting Requirement. Within one year of the
15 effective date of this ordinance and annually thereafter, the Department shall provide a report
16 to the Board of Supervisors regarding the Department's administration and enforcement of the
17 Short-Term Residential Rental program. The study shall make recommendations regarding
18 proposed amendments to this Chapter 41A necessary to reduce any adverse effects of the
19 Short-Term Residential Rental program.

20 **SEC. 41A.6. PROCEDURES FOR DETERMINING ADMINISTRATIVE PENALTIES.**

21 (a) **Notice of Complaint.** Within ~~45~~30 days of the filing of a Ceomplaint and upon
22 the Director's independent finding that there may be a violation of this Chapter, the Director
23 shall notify the Oowner by certified mail that the Oowner's Residential Unit is the subject of
24 an investigation for an unlawful use and provide the date, time, and place of an administrative
25 review hearing in which the eOwner can respond to the Ceomplaint. If the Director finds there

1 is no violation of this Chapter or basis for an investigation for an unlawful activity, the Director
2 shall so inform the complainant within 30 days of the filing of the Complaint. If the Complaint
3 concerns the failure of a Hosting Platform to comply with the requirements of subsection
4 (g)(54)(A), within 4530 days of the filing of the Complaint and upon the Director's independent
5 finding that there may be a violation of this Chapter, the Director shall notify the Hosting
6 Platform by certified mail that the Hosting Platform is the subject of an investigation for failure
7 to comply with the requirements of this Chapter that subsection and provide the date, time,
8 and place of an administrative review hearing in which the Hosting Platform can respond to
9 the Complaint.

10 (b) **Administrative Review Hearings.** In the event the Director determines that an
11 administrative review hearing shall be conducted, the Director's appointed hearing officer will
12 hold an administrative review hearing within ~~60~~⁴⁵ days of the filing of the Complaint
13 Director's finding that there may be a violation of this Chapter 41A to review all information
14 provided by the Interested Party, members of the public, City staff, and the Owner or Hosting
15 Platform for the investigation and the hearing officer shall thereafter make a determination
16 whether the Owner or Hosting Platform has violated this Chapter.

17 (1) For hearings regarding alleged unlawful conversions, Notice of the
18 hearing shall be conspicuously posted on the building that is the subject of the hearing. ~~The~~
19 ~~Owner shall state under oath at the hearing that the notice remained posted for at least~~
20 ~~seven calendar days prior the hearing.~~ The Director shall appoint a hearing officer to conduct
21 the hearing.

22 (2) **Pre-hearing Submission.** No less than ten working days prior to the
23 administrative review hearing, parties to the hearing shall submit written information to the
24 Director including, but not limited to, the issues to be determined by the hearing officer and
25

1 the evidence to be offered at the hearing. Such information shall be forwarded to the hearing
2 officer prior to the hearing along with any information compiled by the Director.

3 (3) Hearing Procedure. If more than one hearing is requested for Residential
4 Units located in the same building at or about the same time, the Director shall consolidate
5 all of the hearings into one hearing. The hearing shall be ~~tape~~ recorded. Any party to the
6 hearing may at his or her own expense cause the hearing to be recorded by a certified court
7 reporter. Parties may be represented by counsel and shall have the right to cross-examine
8 witnesses. All testimony shall be given under oath. Written decisions and findings shall be
9 rendered by the hearing officer within 2030 working days of the hearing. Copies of the findings
10 and decision shall be served upon the parties by certified mail. A notice that a copy of the
11 findings and decision is available for inspection between the hours of 9:00 a.m. and 5:00 p.m.
12 Monday through Friday shall be posted by the Owner or the Director in the building in the
13 same location in which the notice of the administrative review hearing was posted.

14 (4) Failure to Appear. In the event the Owner, authorized Hosting Platform
15 representative, or an interested party fails to appear at the hearing, the hearing officer may
16 nevertheless make a determination based on the evidence in the record and files at the time
17 of the hearing, and issue a written decision and findings.

18 (5) Finality of the Hearing Officer's Decision and Judicial Review. The
19 decision of the hearing officer shall be final. Within 20 days after service of the hearing
20 officer's decision, any party may seek judicial review of the hearing officer's decision.

21 (6) Hearing Officer Decision and Collection of Penalties. ~~If any imposed~~
22 ~~administrative penalties and costs have not been deposited at the time of the Hearing~~
23 ~~Officer's decision~~ Upon the Hearing Officer's decision, the Director may proceed to collect the
24 penalties and costs pursuant to the lien procedures set forth in Subsection 41A.6(ed),
25 consistent with the Hearing Officer's decision.

1 (7) Remedy of Violation. If the Hearing Officer determines that a violation has
2 occurred, the Hearing Officer's Decision ~~should~~ shall:

3 (A) Specify a reasonable period of time during which the Owner,
4 Business Entity, or Hosting Platform must correct or otherwise remedy the violation; ~~and~~

5 (B) ~~State that if the violation is not corrected or otherwise remedied~~
6 ~~within this period. Detail the amount of any administrative penalties the Owner or Hosting~~
7 ~~Platform shall be~~ may be required to pay the administrative penalties as set forth in Subsection
8 41A.6(c); ~~and.~~

9 (C) For violations by Owners, State that if the violation is not corrected
10 or otherwise remedied within this period, the Department shall remove or prohibit the registration
11 of the Residential Unit from the Short-Term Residential Registry for one year even if the
12 Residential Unit otherwise meets the requirements for Short-Term Residential Rental and may
13 prohibit the offending Owner from including such Residential Unit on any Hosting Platform for
14 a period of one year.

15 (8) If the Hearing Officer determines that no violation has occurred, the
16 determination is final.

17 (c) **Imposition of ~~Administrative~~ Penalties for Unabated Violations and**
18 **Enforcement Costs.**

19 (1) Administrative Penalties. ~~If the violation has continued unabated beyond~~
20 ~~the time specified in the notice required by the Hearing Officer~~ determines that a violation has
21 occurred, an administrative penalty of shall be assessed as follows:

22 (A) for the initial violation, not more than four times the standard hourly
23 administrative rate of ~~\$104.00~~ 121.00 shall be charged for each unlawfully converted unit, or for
24 each identified failure of a Hosting Platform to comply with the requirements of subsection

1 (g)(54), per day from the day the unlawful use activity commenced notice of Complaint until
2 such time as the unlawful use activity terminates;

3 (B) for the second violation within six months of any hearing held
4 pursuant to this Chapter by the same Owner(s), Business Entity, or Hosting Platform, not more
5 than eight times the standard hourly administrative rate of \$121.00 for each unlawfully converted unit,
6 or for each identified failure of a Hosting Platform to comply with the requirements of
7 subsection (g)(54), per day from the day the unlawful use activity commenced until such time as the
8 unlawful use activity terminates; and

9 (C) for the third and any subsequent violation within 12 months of any
10 hearing held pursuant to this Chapter by the same Owner(s), Business Entity, or Hosting
11 Platform, not more than twelve times the standard hourly administrative rate of \$121.00 for each
12 unlawfully converted unit or for each identified failure of a Hosting Platform to comply with the
13 requirements of subsection (g)(54) per day from the day the unlawful use activity commenced
14 until such time as the unlawful use activity terminates.

15 (2) ~~Enforcement Costs.~~ The Owner or Hosting Platform shall reimburse the
16 City for the costs of enforcement of this Chapter, which shall include, but not be limited to,
17 reasonable attorneys' fees.

18 ~~(3) Prohibition on Registration and Listing Unit(s) on Any Hosting Platform.~~ If the
19 violation has continued unabated beyond the time specified in the notice required by the
20 Hearing Officer In the event of multiple violations, the Department shall remove the Residential
21 Unit(s) from the Registry for one year and include the Residential Unit(s) on a list maintained by
22 the Department of Residential Units that may not be listed by any Permanent Resident on any
23 Hosting Platform until compliance. Any Owner or Business Entity who continues to list a Residential
24 Unit in violation of this section shall be liable for additional administrative penalties and civil
25 penalties of up to \$1,000 per day of unlawful inclusion.

1 (d) **Notice of Continuing Violation and Imposition of Penalties.** The Director shall
2 notify the Owner or Hosting Platform by certified mail that ~~of the violation has continued~~
3 ~~unabated~~ and that administrative penalties shall be imposed pursuant to this Chapter 41A.
4 The notice shall state the time of the ~~continued~~ existence of the violation and the resulting
5 imposition of penalties. Payment of the administrative penalties and enforcement costs shall
6 be made within 30 days of the certified mailed notice to the Owner or Hosting Platform. If the
7 administrative penalties and enforcement costs are not paid, the Director shall refer the matter
8 to the Treasurer/Tax Collector and/or initiate lien procedures to secure the amount of the
9 penalties and costs against the real property that is subject to this Chapter, under Article XX
10 of Chapter 10 of the ~~San Francisco~~ Administrative Code to make the penalty, plus accrued
11 interest, a lien against the real property regulated under this Chapter. Except for the release of
12 the lien recording fee authorized by Administrative Code Section 10.237, all sums collected by
13 the Tax Collector pursuant to this ordinance shall be ~~held in trust by the Treasurer and~~
14 ~~distributed as provided in Section 41A.5(d) of this Chapter~~ deposited as set forth in subsection
15 (e) below.

16 (e) **Deposit of Penalties.** ~~Administrative penalties paid pursuant to this Chapter~~
17 ~~shall be deposited in the Mayor's Office of Housing, Housing Affordability Fund less the~~
18 ~~reasonable costs incurred by the City and County of San Francisco in pursuing enforcement~~
19 ~~under this Chapter 41A. If enforcement costs were imposed, such funds shall be distributed~~
20 ~~according to the purpose for which they were collected.~~ Any fees and penalties collected
21 pursuant to this Chapter 41A shall be deposited in the Department, which shall reimburse City
22 departments and agencies, including the City Attorney's Office, for all costs and fees incurred
23 in the enforcement of this Chapter 41A.

1 Section 3. The Planning Code is hereby amended by revising Sections 102.7, 102.13,
2 790.88 and 890.88, to read as follows:

3
4 **SEC. 102.7. DWELLING UNIT.**

5 A room or suite of two or more rooms that is designed for, or is occupied by, one family
6 doing its own cooking therein and having only one kitchen. A housekeeping room as defined
7 in the Housing Code shall be a dwelling unit for purposes of this Code. For the purposes of
8 this Code, a live/work unit, as defined in Section 102.13 of this Code, shall not be considered
9 a dwelling unit. Notwithstanding the foregoing, use of a dwelling unit as a Short-Term Residential
10 Rental in compliance with Administrative Code Section 41A.5 shall not alter the use type as a
11 residential use.

12 * * * *

13
14 **SEC. 102.13. LIVE/WORK UNIT.**

15 A live/work unit is a structure or portion of a structure combining a residential living
16 space for a group of persons including not more than four adults in the same unit with an
17 integrated work space principally used by one or more of the residents of that unit; provided,
18 however, that no otherwise qualifying portion of a structure which contains a Group A
19 occupancy under the San Francisco Building Code shall be considered a live/work unit.
20 Notwithstanding the foregoing, use of a live/work unit as a Short-Term Residential Rental in
21 compliance with Administrative Code Section 41A.5 shall not alter the use type as a live/work unit.

22 * * * *

23
24 **SEC. 790.88. RESIDENTIAL USE.**

1 A use which provides housing for San Francisco residents, rather than visitors,
2 including a dwelling unit or group housing, as defined in Subsections (a) and (b) below, or a
3 residential hotel, as defined in Section 790.47 of this Code and in Chapter 41 of the San
4 Francisco Administrative Code. Notwithstanding the foregoing, use of a dwelling unit as a Short-
5 Term Residential Rental in compliance with Administrative Code Section 41A.5 shall not alter the use
6 type as a residential use.

7 (a) Dwelling Unit. A residential use which consists of a suite of two or more rooms
8 and includes sleeping, bathing, cooking, and eating facilities, but has only one kitchen.

9 (b) Group Housing. A residential use which provides lodging or both meals and
10 lodging without individual cooking facilities for a week or more at a time in a space not defined
11 as a dwelling unit. Group housing includes, but is not limited to, a rooming house, boarding
12 house, guest house, lodging house, residence club, commune, fraternity and sorority house,
13 monastery, nunnery, convent, and ashram. It also includes group housing operated by a
14 medical or educational institution when not located on the same lot as such institution.

15 * * * *

16
17 **SEC. 890.88. RESIDENTIAL USE.**

18 A use which provides housing for San Francisco residents, rather than visitors,
19 including a dwelling unit or group housing, as defined in Subsections (a) and (b) below, or a
20 residential hotel, as defined in Section 890.47 of this Code and in Chapter 41 of the San
21 Francisco Administrative Code. Notwithstanding the foregoing, use of a dwelling unit as a Short-
22 Term Residential Rental in compliance with Administrative Code Section 41A.5 shall not alter the use
23 type as a residential use.

24 (a) Dwelling Unit. A residential use which consists of a suite of two or more rooms
25 and includes sleeping, bathing, cooking, and eating facilities, and has only one kitchen.

1 (b) Group Housing. A residential use which provides lodging or both meals and
2 lodging without individual cooking facilities for a week or more at a time in a space not defined
3 as a dwelling unit. Group housing includes, but is not limited to, a roominghouse, boarding
4 house, guest house, lodging house, residence club, commune, fraternity and sorority house,
5 monastery, nunnery, convent, and ashram. It also includes group housing operated by a
6 medical or educational institution when not located on the same lot as such institution.

7 (c) Single Room Occupancy (SRO) Unit. A dwelling unit or group housing room
8 consisting of no more than one occupied room with a maximum gross floor area of 350 square
9 feet and meeting the Housing Code's minimum floor area standards. The unit may have a
10 bathroom in addition to the occupied room. As a dwelling unit, it would have a cooking facility
11 and bathroom. As a group housing room, it would share a kitchen with one or more other
12 single room occupancy unit/s in the same building and may also share a bathroom. A single
13 room occupancy building (or "SRO" building) is one that contains only SRO units and non
14 nonaccessory living space.

15
16 Section 4. Other Uncodified Provisions.

17 (a) Effective Date. This ordinance shall become effective 30 days after enactment.
18 Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance
19 unsigned or does not sign the ordinance within ten days of receiving it, or the Board of
20 Supervisors overrides the Mayor's veto of the ordinance.

21 (b) Operative Date. This ordinance shall become operative on February 1, 2015.

22 (c) Undertaking for the General Welfare. In enacting and implementing this
23 ordinance, the City is assuming an undertaking only to promote the general welfare. It is not
24 assuming, nor is it imposing on its officers and employees, an obligation for breach of which it
25

1 would be liable in money damages to any person who claims that such breach proximately
2 caused injury.

3 (ed) No Conflict with State or Federal Law. Nothing in this ordinance shall be
4 interpreted or applied so as to create any requirement, power, or duty in conflict with any
5 State or federal law.

6 (de) Severability. If any of section, subsection, sentence, clause, phrase or word of
7 this ordinance is for any reason held to be invalid or unconstitutional by a decision of any
8 court of competent jurisdiction, such decision shall not affect the validity of the remaining
9 portions of the ordinance. The Board of Supervisors hereby declares that it would have
10 passed this ordinance and each and every section, subsection, sentence, clause, phrase, and
11 word not declared invalid or unconstitutional without regard to whether any other portion of
12 this ordinance would be subsequently declared invalid or unconstitutional.

13 (ef) Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
14 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
15 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
16 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
17 additions, and Board amendment deletions in accordance with the "Note" that appears under
18 the official title of the ordinance.

19
20 APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

21
22 By:


MARLENA G. BYRNE
Deputy City Attorney

23
24 n:\vegana\as2014\1200498\00963400.doc

25
Supervisor Chiu
BOARD OF SUPERVISORS



City and County of San Francisco

Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 140381

Date Passed: October 21, 2014

Ordinance amending the Administrative Code to provide an exception for permanent residents to the prohibition on short-term residential rentals under certain conditions; to create procedures, including a registry administered by the Planning Department, for tracking short-term residential rentals and compliance; to establish an application fee for the registry; amending the Planning Code to clarify that short-term residential rentals shall not change a unit's type as residential; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

September 15, 2014 Land Use and Economic Development Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

September 15, 2014 Land Use and Economic Development Committee - CONTINUED AS AMENDED

September 29, 2014 Land Use and Economic Development Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

September 29, 2014 Land Use and Economic Development Committee - RECOMMENDED AS AMENDED

October 07, 2014 Board of Supervisors - AMENDED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

October 07, 2014 Board of Supervisors - AMENDED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

October 07, 2014 Board of Supervisors - AMENDED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

October 07, 2014 Board of Supervisors - AMENDED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

October 07, 2014 Board of Supervisors - NOT AMENDED

Ayes: 5 - Avalos, Campos, Kim, Mar and Yee

Noes: 6 - Breed, Chiu, Cohen, Farrell, Tang and Wiener

October 07, 2014 Board of Supervisors - AMENDED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

October 07, 2014 Board of Supervisors - AMENDED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

October 07, 2014 Board of Supervisors - NOT AMENDED

Ayes: 5 - Avalos, Campos, Kim, Mar and Yee

Noes: 6 - Breed, Chiu, Cohen, Farrell, Tang and Wiener

October 07, 2014 Board of Supervisors - PASSED ON FIRST READING AS AMENDED

Ayes: 7 - Breed, Chiu, Cohen, Farrell, Kim, Tang and Wiener

Noes: 4 - Avalos, Campos, Mar and Yee

October 07, 2014 Board of Supervisors - DUPLICATED AS AMENDED

October 21, 2014 Board of Supervisors - NOT AMENDED

Ayes: 5 - Avalos, Campos, Kim, Mar and Yee

Noes: 6 - Breed, Chiu, Cohen, Farrell, Tang and Wiener

October 21, 2014 Board of Supervisors - NOT AMENDED

Ayes: 5 - Avalos, Campos, Kim, Mar and Yee

Noes: 6 - Breed, Chiu, Cohen, Farrell, Tang and Wiener

October 21, 2014 Board of Supervisors - NOT AMENDED

Ayes: 5 - Avalos, Campos, Kim, Mar and Yee

Noes: 6 - Breed, Chiu, Cohen, Farrell, Tang and Wiener

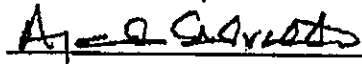
October 21, 2014 Board of Supervisors - FINALLY PASSED

Ayes: 7 - Breed, Chiu, Cohen, Farrell, Kim, Tang and Wiener

Noes: 4 - Avalos, Campos, Mar and Yee

File No. 140381

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 10/21/2014 by the Board of Supervisors of the City and County of San Francisco.



Angela Calvillo
Clerk of the Board



Mayor



Date Approved

Desert Hot Springs Municipal Code

Up Previous Next Main Collapse Search Print No Frames
Title 5 BUSINESS LICENSES AND REGULATIONS

Chapter 5.44 VACATION RENTALS**5.44.010 Purpose.**

The City Council of the City of Desert Hot Springs finds and declares as follows:

- A. The use of privately owned residential dwelling units for the purpose of vacation rentals provides a community benefit by expanding the number and type of lodging facilities available in the City, and assists owners of dwelling units used as vacation rentals by providing revenue, which may be used for maintenance upgrades and deferred costs.
- B. The purpose of this chapter is to establish regulations for the use of residential property as vacation rentals thereby enabling the City to preserve and protect the public health, safety, and welfare, by minimizing complaints involving excessive noise, disorderly conduct, vandalism, overcrowding, traffic, congestion, illegal vehicle parking and accumulation of refuse.
- C. The transitory nature of occupants of vacation rental units makes continued enforcement against the occupants difficult. The provisions of this chapter are therefore necessary to prevent the continued burden on city services and impacts on residential neighborhoods posed by vacation home rentals.
- D. The establishment of a regulatory program for vacation rentals will provide an administrative procedure to preserve existing visitor-serving opportunities and increase and enhance public access to areas of the City and other visitor destinations.
- E. This chapter is not intended to regulate hotels, motels, inns, time-share units, or non-vacation type rental arrangements including, but not limited to, lodging houses, rooming houses, convalescent homes, rest homes, halfway homes, or rehabilitative homes. (Ord. 533 5-1-12)

5.44.020 Definitions.

For purposes of this chapter, the following words and phrases shall have the meaning respectively ascribed to them by this section, unless the context clearly indicates or requires a different meaning:

“Applicant” means the owner of the vacation rental unit, or the agent of the owner.

“City Manager” means the City Manager of the City of Desert Hot Springs or designee.

“Emergency contact person” means the person designated by the owner or agent or representative of the owner, who is available 24 hours per day, seven days per week for the purpose of responding to complaints regarding the condition, repair, operation or conduct of occupants of the vacation rental unit, and who has access and authority to assume management of the unit and take remedial measures.

“Good neighbor brochure” means a document prepared by the City that summarizes the general rules of conduct, consideration, and respect, including without limitation provisions of the Desert Hot Springs Municipal Code and other applicable laws, rules or regulations pertaining to the use and occupancy of vacation rental units.

“Owner” means the owner of record as shown on the last equalized assessment roll of the County or as otherwise may be known to the City. If there is more than one owner, the term includes all of the owners. For purposes of providing notice to an owner as required under this chapter, “owner” includes the actual owner of record, or such owner’s agent, employee or other legal representative if such agent, employee or representative is authorized by the owner to receive such notice.

“Property” means a parcel on which a vacation rental unit is located.

“Responsible person” means an occupant of a vacation rental unit who is at least 18 years of age and who shall be legally responsible for the compliance by all occupants of the unit and their guests with all provisions of this chapter and

this code. The responsible person shall be the transient, for purposes of imposing and enforcing the provisions of the City's transient occupancy tax under Chapter 3.20 of this code.

"Transient" shall have the same meaning as set forth in Chapter 3.20 of this code.

"Vacation rental registration certificate" means an annual registration certificate awarded by the City to the owner or agent pursuant to this chapter.

"Vacation rental unit" or "unit" means a privately owned residential dwelling, including either a single-family detached or multiple-family attached unit, apartment house, condominium, cooperative apartment, duplex, or any portion of such dwellings, rented for occupancy for dwelling, lodging, or sleeping purposes for a period of thirty consecutive days or less, other than ongoing month-to-month tenancy granted to the same renter for the same unit, or occupancy on a time-share basis. A vacation rental unit does not include a unit that is rented only occasionally (infrequently) and incidentally to the normal occupancy by the owner or the owner's family. The terms occasionally and infrequently shall mean ten nights or less (either cumulatively or for a continuous period) in a single calendar year. (Ord. 533 5-1-12)

5.44.030 Vacation rental registration certificate—Required.

A. No owner or agent of a vacation rental unit shall rent any unit for a period of 30 consecutive days or less without a valid vacation rental registration certificate for each vacation rental unit pursuant to this chapter. No owner or agent of a vacation rental unit shall be permitted to obtain a vacation rental registration certificate without first obtaining a business license pursuant to Chapter 5.04.

B. A registration certificate shall contain the following information: (1) the address of the vacation rental unit; (2) the name of the owner, agent, and emergency contact person, and a telephone number at which the emergency contact person may be reached on a 24-hour basis; (3) the expiration date of the registration certificate; and (4) such other information as may be necessary to carry out the provisions of this chapter. (Ord. 533 5-1-12)

5.44.040 Agency.

An owner may retain an agent or a representative to comply with the requirements of this chapter, including, without limitation, the filing of a complete vacation rental registration application, the management of the vacation rental unit or units, and compliance with the requirements of this chapter. Notwithstanding any agency relationship between an owner and an agent, the owner of the vacation rental unit shall remain responsible for compliance with all provisions of this chapter and the City's municipal code. Failure of an agent to comply with this chapter and/or the municipal code shall be deemed noncompliance by the owner. Any agent of the owner shall be listed on the registration certificate. (Ord. 533 5-1-12)

5.44.050 Vacation rental registration certificate requirements.

A. Prior to use of a property as a vacation rental unit, the applicant shall submit an application for a registration certificate to use the property as a vacation rental unit. The application shall be available at the City Clerk's office and shall be renewed on an annual basis. Each application shall contain the following information:

1. The name, address, email address and telephone number of the owner of the vacation rental unit for which the vacation rental registration certificate is to be issued.
2. The name, address, email address and telephone number of the agent, if any, of the owner of the unit.
3. The name, address, email address and 24-hour telephone number of the emergency contact person.
4. The address of the residential property proposed to be used as a vacation rental unit.
5. The number of bedrooms and the overnight and daytime occupancy limit of the unit, as set forth in Table 5.44.081.
6. The proposed rental rates for the unit, and when applicable, the owner's prior year revenue for the unit.
7. Evidence of a valid business license issued by the City for the separate business of operating a vacation rental unit, or submission of a certificate that owner is exempt or otherwise not covered by the provisions in Section 5.04.020 of the City's municipal code.

8. Evidence of a valid transient occupancy registration certificate issued by the City for the vacation rental unit, pursuant to the provisions of Chapter 3.20 of the City's municipal code.

9. Acknowledgement of receipt and inspection of a copy of all regulations pertaining to the operation of a vacation rental unit, including the Good Neighbor Brochure.

10. Acknowledgement/attestation that the unit meets all applicable building and safety code requirements.

11. Such other information as the City Manager or designee deems reasonably necessary to administer this chapter.

B. An application for a vacation rental registration certificate, annual renewal, and amendment shall each be accompanied by a fee established by resolution of the City Council, provided, however, that no fee shall be greater than necessary to defer the cost incurred by the City in administering the provisions of this chapter.

C. A vacation rental certificate application shall be denied if the applicant has had a prior vacation rental certificate for the same unit revoked within the previous 12 calendar months.

D. Within ten business days of submittal of an application that contains all of the requirements of subsections A and B, the City's Business License Clerk shall issue the registration certificate to the applicant.

E. Within 90 days of the effective date of the ordinance codified in this chapter, an application for a registration certificate shall be filed with the City's Business License Clerk for property used as a vacation rental unit at the time of the effective date of the ordinance codified in this chapter or during the year immediately preceding the effective date of the ordinance codified in this chapter.

F. The City's Business License Clerk shall provide a copy of the registration certificate to the City's Police and Code Enforcement Departments within seven days of issuance.

G. The application for a vacation rental registration certificate shall be accompanied by proof of general liability insurance in the amount of \$1,000,000.00 combined single limit and an executed agreement to indemnify, defend and hold the City harmless from any and all claims and liability of any kind whatsoever resulting from or arising from the operation of a City permitted vacation rental. (Ord. 533 5-1-12)

5.44.060 Denial of a vacation rental certificate, appeal and fee.

A. An owner or agent shall be denied a vacation rental registration certificate if a certificate for any unit that was issued to the same owner or agent has been revoked pursuant to Section 5.44.050, within 12 months of submitting the new application. The denial of a vacation rental registration certificate may be appealed in accordance with the provisions of Section 4.24.210, et seq., of the City's municipal code, in the same manner as provided for citations and notices of violations.

B. A filing fee as established by City Council resolution or any amendments thereto for an appeal of a denial of a registration certificate shall be paid to the City at or prior to the time of the filing of such appeal. Provided, however, that no fee shall be greater than necessary to defer the cost incurred by the City in administering the provisions of this chapter. Any appeal of the denial of a registration certificate filed without payment of the filing fee shall be deemed incomplete. (Ord. 533 5-1-12)

5.44.070 Amendments to the registration certificate.

A. Within 14 days of a change in property ownership or agency, or other material fact set forth in the annual registration, the owner or agent shall submit to the City an application for a new registration certificate. The owner or agent shall also submit the required registration fee and comply with the City's business license requirements.

B. Any change in the emergency contact person, or the individual's telephone number or address shall be furnished to the City within seven days, and the registration certificate and all certificates and permits required by this chapter shall be updated within 14 days. (Ord. 533 5-1-12)

5.44.080 Operational requirements and standard conditions.

A. The owner and agent shall ensure that the vacation rental unit complies with all applicable Federal, State and local laws, rules and regulations regarding fire, building and safety, health and safety, and all other relevant laws.

B. The owner and agent shall limit occupancy of the vacation rental unit to a specific number of occupants, as set forth in Table 5.44.081, unless a special event license has been issued by the City in accordance with the provisions of Section 5.44.080(M).

Table 5.44.081

Number of Bedrooms	Total of Overnight Occupants	Additional Daytime Occupants	Total Daytime Occupants
0-Studio	2	2	4
1	4	2	6
2	6	3	9
3	8	4	12
4	10	5	15
5 or more	12	6	18

* Overnight (10:01 p.m. – 6:59 a.m.)

**Daytime (7:00 a.m. – 10:00 p.m.)

C. The owner and agent shall limit the number of vehicles of overnight occupants at an amount not to exceed the number of designated on-site parking spaces.

D. During the term that each vacation rental unit is rented, the emergency contact person and responsible person shall be available 24 hours per day, seven days per week for the purpose of responding to complaints made to the City regarding the condition, operation, or conduct of occupants of the vacation rental unit.

E. The owner and agent shall ensure that the occupants and guests of the vacation rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of the municipal code, or State or Federal law, rule or regulation.

F. Prior to every use of the unit as a vacation rental unit, the owner or the owner's agent shall: (1) obtain from the responsible person, the individual's name, address, telephone number, and a copy of a valid government identification of the responsible person, license plate number, the state in which the vehicle is registered, and year, make and model of all vehicles used by all occupants of the unit, and any other information requested by the City manager; (2) provide a copy of the Good Neighbor Brochure to the responsible person; and (3) require such responsible person to execute a formal acknowledgement that he or she is legally responsible for compliance of all occupants and guests with all provisions of this chapter and the City's municipal code. This information shall be readily available upon request of any officer of the City responsible for the enforcement of this chapter.

G. Upon notification that any occupant or guest of the vacation rental unit has created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of the municipal code or any State law, the owner, agent or emergency contact person shall contact the responsible person within one hour and provide the individual with a warning, or take action to terminate the occupancy. In the event the owner, agent or emergency contact person determines that the conduct of the occupant or resident presents a public safety issue, the owner, agent or emergency contact person, shall contact the City's Police Department. In the event the owner, agent or emergency contact person, within a 48-hour period, receives more than three complaints that constitute a violation of the City's noise control ordinance, as set forth in Chapter 8.12, or which are considered a public nuisance pursuant to the provisions of Chapter 4.16, or are considered a violation of the municipal code, or the City's Police Department has determined that a public safety hazard exists, the owner, agent or emergency contact person shall terminate the occupancy immediately. Failure of the owner, agent or responsible person to respond to calls or complaints regarding the condition, operation, or conduct

of occupants of the vacation rental unit in accordance with the provisions set forth in this chapter, shall be grounds for imposition of penalties as set forth in this chapter.

H. Prior to rental of a vacation rental unit, the owner of the vacation rental unit, or agent, shall post a framed copy of the vacation rental registration certificate and the following, in a conspicuous place within the unit:

1. The maximum number of overnight occupants and the maximum number of daytime occupants permitted to stay in the unit;
2. The trash pick-up day and applicable rules and regulations pertaining to leaving or storing trash or refuse on the exterior of the property;
3. Notification that the amplification of music outside of the dwelling unit is a violation of this chapter;
4. Notification that the occupant shall comply with the City's parking, driveway and loading standards, and the number of vehicles that are permitted for the unit;
5. Notification that the occupant may be cited or fined by the City and that the owner, or owner's agent, may immediately terminate the occupancy for creating a disturbance or for violating other provisions of the City's municipal code;
6. Notification that failure to conform to the occupancy requirements of the vacation rental unit is a violation of this chapter.

I. The use of a vacation rental unit shall not violate any applicable conditions, covenants, or other restrictions on real property.

J. The owner and agent shall comply with all provisions of Chapter 3.20 of the municipal code concerning transient occupancy taxes. The monthly return required by Chapter 3.20 shall be filed each month regardless of whether the unit was rented during that month.

K. A copy of the registration certificate shall be mailed or delivered to all property owners shown on the last equalized county assessment roll and all occupants of each dwelling unit within 300 feet of the vacation rental unit. Such information shall be provided at least annually or within 14 days of any change of information as required pursuant to this chapter.

L. Before any event or gathering that involves groups that exceed the maximum number of occupants allowed during the daytime may take place at a property, either the owner or the owner's authorized agent or representative shall apply, on behalf of the responsible person and/or occupants, for a special event license pursuant to the provisions set forth in this code, at least 30 days prior to any such gathering or event, unless otherwise authorized by the City Manager or designee. A special use license application for a vacation rental event or gathering shall be accompanied by an application fee established by resolution of the City Council.

M. The City Manager shall have the authority to impose additional standard conditions, applicable to all vacation rental units, as necessary, to achieve the objectives of this chapter. A list of all such additional standard conditions shall be maintained and on file in the office of the City Clerk. (Ord. 533 5-1-12)

5.44.090 Complaints.

Any person may report unreasonable noise, disturbances, disorderly conduct or violations of the municipal code at a rental unit, to the City's Code Enforcement Department or Police Department. (Ord. 533 5-1-12)

5.44.100 Audit.

Each owner, agent and/or emergency contact person shall provide access to each vacation rental unit and any records related to its use and occupancy to the City Manager at any time during normal business hours, for the purpose of inspection and/or audit to determine that the objectives and conditions of this chapter are being fulfilled. (Ord. 533 5-1-12)

5.44.110 Violations and penalties.

A. Any person who uses, or allows the use of, residential property in violation of the provisions in this chapter may be issued a citation pursuant to Sections 4.32.010 and 5.04.250 and the administrative citation provisions of Chapter 4.24 of the municipal code.

B. Notwithstanding the provisions of Chapter 4.24 and except for complaints regarding the conduct of the occupants or the operation of the unit, and the response to complaints by the owner, agent and/or emergency contact person, any other pre-citation or courtesy notice issued for any violations of this chapter may provide for a reasonable compliance date or time of less than 15 calendar days from the date the pre-citation notice is given, unless, due to the nature of the violation, a shorter compliance period is necessary or appropriate, as determined in the reasonable judgment of the City official issuing the notice.

C. Upon the fourth or subsequent violation issued under Section 4.32.010 in any 24-month time period, and/or upon revocation of the business license for the unit, or other permit or certificate required by the City, the City Manager may initiate an investigation to determine whether an owner, agent and/or emergency contact person has failed to comply with the provisions of this chapter. Should the investigation reveal substantial evidence to support a finding that a violation occurred, the City Manager shall issue a written decision suspending or revoking the vacation rental registration certificate. The appeal and hearing provisions of Chapter 4.24 shall apply to any revocation or suspension of a registration certificate.

D. The remedies provided for in this section are in addition to, and not in lieu of, all other legal remedies, criminal or civil, which may be pursued by the City to address any violation of this code or other public nuisance. (Ord. 533 5-1-12)

5.44.120 Immediate health and safety threats.

Nothing in this chapter shall limit the City's ability to inspect properties and issue citations for property-related conditions that may constitute an immediate health or safety threat, including, but not limited to, Sections 4.16.010, 4.40.040 and 15.48.010 of the City's code. (Ord. 533 5-1-12)

5.44.130 Requirements not exclusive.

The requirements of this chapter shall be in addition to any license, permit, or fee required under any other provision of the City's municipal code. The issuance of any registration certificate shall not relieve any person or entity of any obligation to comply with any and all other provisions of the City's municipal code. (Ord. 533 5-1-12)

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establishing a prohibition on new short-term rentals is known and may be referred to in this chapter as the "STR Regulations and Ban on New STRs Ordinance." (Ord. 6299 § 1 (part); May 13, 2014: Ord. 6374, § 1 (part); July 12, 2016.)

4.05.020 PURPOSE AND INTENT.

The purposes of this chapter are as follows:

A. With the exceptions noted in paragraph "B" below, it is the purpose of this chapter to establish that short-term rentals will no longer be allowable uses on any property within Single-Family Residential Zones (as defined in Section 18.04.020 of this code), Multiple-Family Residential Zones (as defined in Section 18.06.020 of this code), or any other zoning district in the city, including all underlying or base zones, overlay zones and adopted specific plans, in which residential uses are a permitted or conditionally permitted use.

B. It is the purpose of this chapter to provide a permit system for the renewal of short-term rental permits for (i) those owners who have been authorized to operate a short-term rental prior to August 11, 2016 and (ii) those owners whose pending applications for a permit to operate a short-term rental were filed prior to September 16, 2015 and have not yet been approved but may be approved after August 11, 2016, who desire to continue to operate a short-term rental in accordance with the permit renewal procedures set forth in this chapter, which categories are hereafter collectively referred to in this chapter as "pre-moratorium short-term rentals." It is the further purpose of this chapter to provide a permit system for those short-term rentals within the C-G General Commercial Zone that have been authorized pursuant to a conditional use permit approved in accordance with the provisions of this code prior to the adoption of the moratorium on September 15, 2015.

C. For those owners who are eligible and apply for renewal of a short-term rental permit, as described in paragraph "B" of this Section 4.05.020, whose applications for renewal are approved by the city, it is the purpose of this chapter to establish and impose operational requirements and regulations for the use of the aforementioned privately-owned residential dwellings as short-term rentals in order to reduce the burden on city services, minimize the negative secondary effects of such use on residential neighborhoods, and ensure the health, safety and welfare of persons residing in residential neighborhoods and patronizing short-term rentals. (Ord. 6299 § 1 (part); May 13, 2014: Ord. 6374, § 1 (part); July 12, 2016.)

4.05.030 DEFINITIONS.

The definitions contained in this section shall govern the construction, meaning and application of words and phrases used in this chapter.

A. "Agent" shall mean a person engaged or appointed by an owner to represent and act on behalf of an owner (as defined in these definitions) and to act as an operator, manager and/or local contact person of a dwelling used or to be used as a short-term rental unit or short-term rental property and designated as such by the owner in accordance with Section 4.05.050.

B. "City Manager" shall have the same meaning as Section 600 (City Manager) of the Charter of the City of Anaheim, and shall include his or her authorized representative.

C. "Dwelling" is defined in Section 18.92.070 ("D" Words, Terms and Phrases) of Chapter 18.92 (Definitions) of this code. "Dwelling" shall also mean a dwelling unit on the same parcel as a legally established single-family dwelling that is allowed in the zone in which located, having its own complete independent living accommodations and facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation, in which case only one of said dwelling units may be used as a short-term rental.

D. "Enforcement officer" shall mean the Planning Director, the Community Preservation Manager, any Community Preservation Officer, the city's Fire Chief, his or her authorized representatives, the city's Building Official, his or her authorized representatives, or any other city department head (to the extent responsible for enforcing provisions of this code), or any other city employee designated by the Planning Director or City Manager to enforce this chapter.

E. "Hosting platform" shall mean a person or entity that facilitates a short-term rental for an owner, and derives revenues therefrom, including without limitation booking fees, subscription charges or advertising revenues, from such facilitation. "Facilitate" shall mean without limitation the act of allowing the owner to offer to list or advertise the short-term rental on the Internet web site provided or maintained by the hosting platform. A hosting platform does not include any person licensed to practice real estate as defined in Section 10130 of the California Business and Professions Code.

F. "License Collector" shall have the same meaning as in Section 1.01.305 (Construction—"License Collector") of the code, and shall include his or her authorized representative.

G. "Local contact person" shall mean a person designated by an owner or the owner's agent, who, if designated to act as such, shall be available twenty-four (24) hours per day, seven (7) days per week for the purpose of: (i) being able to physically respond within forty-five (45) minutes of notification of a complaint regarding the condition, operation or conduct of occupants of the dwelling, and (ii) taking remedial action necessary to resolve any such complaints. A local contact person may be the owner or the owner's agent.

H. "Occupant" shall mean any person who is on or in a short-term rental property other than service providers or the owner, whether or not the person stays overnight.

I. "Operator" shall mean the owner or the designated agent of the owner who is responsible for compliance with this chapter.

J. "Owner" shall mean the person(s) or entity(ies) that holds legal or equitable title to a dwelling. "Owner" includes a lessee.

K. "Pending application" shall mean an application for a short-term rental permit filed with the Planning Director prior to September 16, 2015 that has not been approved or denied by the Planning Director prior to August 11, 2016.

L. "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

M. "Planning Director" shall mean the Director of the Planning and Building Department of the City of Anaheim or his or her authorized representative, including the License Collector, the Community Preservation Manager and any Community Preservation Officer or staff so designated by either the Director of the Planning and Building Department or the Community Preservation Manager to carry out responsibilities under this chapter.

N. "Rent" shall have the meaning provided in Section 2.12.005.080 of Chapter 2.12 (Transient Occupancy Tax) of this code and, for the purpose of this definition, the term "operator" shall mean an "owner," as defined in this chapter, who undertakes, maintains, authorizes, aids, facilitates, advertises, lists or rents a dwelling unit as a short-term rental within the City of Anaheim.

O. "Responsible person" means the signatory of an agreement for the rental, use and occupancy of a short-term rental unit, who: (i) shall be at least twenty-one (21) years of age, (ii) shall be an occupant of the subject short-term rental unit during the term of said agreement, (iii) shall be legally responsible for ensuring that all occupants of the short-term rental unit comply with all applicable laws, rules and regulations pertaining to the use and occupancy of the subject short-term rental unit, and (iv) may be held liable for any violation of all applicable laws, rules and regulations set forth in this chapter.

P. "Short-term rental" shall mean the rental of a dwelling or a portion thereof, by the owner to another person or group of persons for occupancy, dwelling, lodging or sleeping purposes for a period of less than thirty (30) consecutive calendar days. The rental of units within city-approved hotels, motels, bed and breakfasts, and time-share projects shall not be considered to be a short-term rental.

Q. "Short-term rental permit" shall mean a permit issued pursuant to the provisions of this chapter that allows the use of a dwelling as a short-term rental.

R. "Short-term rental property" means a parcel of real property, as shown on the latest equalized tax assessment roll as maintained by the assessor of the County of Orange, upon which a short-term rental unit (or units) is (are) maintained. "Short-term rental property" includes the premises upon which a short-term rental unit is located, including parking areas, driveways, landscaping, accessory structures, fences, walls, swimming pools, hot tubs, spas, tennis and paddleboard courts, and other similar and related improvements.

S. "Short-term rental unit" shall mean a dwelling, or any portion thereof, that is being rented, or is intended to be rented, as a short-term rental to a person or group of persons. (Ord. 6299 § 1 (part); May 13, 2014: Ord. 6374 § 1 (part); July 12, 2016.)

4.05.040 PERMIT REQUIRED; PROCESSING OF PENDING APPLICATIONS AND RENEWALS OF PERMITS.

.010 The requirements of this chapter shall be met before a short-term rental permit is issued in response to a pending application that is approved by the Planning Director and before a short-term rental permit is renewed. No person shall undertake, maintain, facilitate, advertise for rent, list or rent a dwelling unit as a short-term rental within the city that does not comply with the requirements of this chapter.

.020 The Planning Director is authorized to issue short-term rental permits pursuant to this chapter.

.030 Except for "pre-moratorium short-term rentals, short-term rentals shall not be allowed as an allowable use on any property within Single-Family Residential Zones (as defined in Section 18.04.020 of this code), Multiple-Family Residential Zones (as defined in Section 18.06.020 of this code), or any other zoning district in the city, including all underlying or base zones, overlay zones and adopted specific plans, in which residential uses are a permitted or conditionally permitted use. Further excepted are those short-term rentals within the C-G General Commercial Zone that have been authorized pursuant to a conditional use permit approved in accordance with the provisions of this code prior to the adoption of the moratorium on September 15, 2015, which short-term rentals may obtain new permits, for which the application and processing shall be in accordance with such information as the Planning Director deems reasonably necessary for the purposes of this chapter, and such permits shall be subject to the operational requirements, provisions for enforcement, violations and penalties, and other requirements of this chapter. It is unlawful for any person or entity to rent, offer to rent, or advertise for rent a dwelling or dwellings to a person or group of persons as a short-term rental without a short-term rental permit approved in accordance with the provisions of this chapter.

.040 The short-term rental of a dwelling is subject to the city's business license requirements (Chapter 3.04 of this code) and the transient occupancy tax requirements (Chapter 2.12 of this code).

.050 It is a violation of the chapter for an owner of a dwelling to establish or operate a short-term rental without first obtaining and maintaining both a valid business license for each property to be used as a short-term rental pursuant to Chapter 3.04 of this code and a short-term rental permit for each property to be used as a short-term rental.

.060 It is a violation of this chapter for any person to establish or operate a short-term rental in any zoning district in the city unless: (1) an owner has been issued a short-term rental permit and, after the term of the permit expires, the owner timely applies for and obtains a renewal thereof and thereafter continues to hold a current short-term rental permit pursuant to this chapter; or (2) an applicant of a pending application is issued a short-term rental permit and, after the term of the permit expires, said applicant timely applies

for and obtains a renewal thereof, and thereafter continues to hold a current short-term rental permit pursuant to this chapter; or (3) the short-term rental is within the C-G General Commercial Zone and has been authorized pursuant to a conditional use permit approved in accordance with the provisions of this code prior to the adoption of the moratorium on September 15, 2015.

.070 Following August 11, 2016, a pending application will continue to be processed by the Planning Director subject to the procedures, terms, conditions and requirements of this chapter in effect as of August 11, 2016 and subject, further, to the following additional terms and conditions:

.0701 The Planning Director shall notify in writing each applicant of a pending application whether and what supplemental information or documentation will be needed in order to enable the Planning Director to determine that such application is complete and complies with the application requirements of this chapter in effect as of August 11, 2016. The Planning Director may request an additional fee, as set by resolution of the City Council, to defray the costs of continuing to process a pending application with the supplemental information and documentation required by the Planning Director. The applicant shall have thirty (30) calendar days in which to submit needed supplemental information or documentation and such additional fee as required by the Planning Director.

.0702 Upon receipt of the supplemental information and documentation requested by the Planning Director pursuant to the immediately preceding paragraph and a determination by the Planning Director that a pending application remains incomplete or fails to provide the information and documentation required by this chapter, the Planning Director shall notify the applicant in writing, and the applicant shall have ten (10) calendar days (or longer as authorized by the Planning Director) in which to submit needed supplemental information or documentation as specified by the Planning Director.

.0703 The failure of the applicant of a pending application to timely submit needed supplemental information or documentation may be cause for denial of the pending application.

.0704 If a pending application is approved by the Planning Director, the Planning Director will issue a short-term rental permit, which will be valid from the date of its issuance up to and including July 31, 2017, at which time said short-term rental permit shall be of no further force, validity or effect, and use of the dwelling for a short-term rental that is the subject of said permit shall cease, unless an application for renewal has been timely filed and thereafter approved by the Planning Director in accordance with subsection .080 of this section. This paragraph recognizes that a final determination by the Planning Director on a pending application may not occur before August 11, 2016, but that the Planning Director will continue, nevertheless, to process a pending application in accordance with this subsection .070.

.080 Any owner operating a short-term rental under the permission of a short-term rental permit duly issued prior to August 11, 2016 who desires to continue operation under the requirements of this chapter shall submit an application for renewal of a short-term rental permit to the Planning Director no later than sixty (60) days following August 11, 2016. If such a timely and complete application for renewal is submitted, the short-term rental permit duly issued, valid and in effect prior to its expiration date shall be extended until the date a determination is made by the Planning Director to approve or deny such application for renewal.

.090 Any owner operating a short-term rental under the permission of a short-term rental permit duly issued under paragraph .0704 or renewed under subsection .080 of this section, who desires to continue operation under the requirements of this chapter after July 31, 2017, shall submit an application for renewal of a short-term rental permit to the Planning Director no later than July 31, 2017 and annually thereafter not later than the last business day in the month of July of each succeeding year, accompanied by the fee or fees established by resolution of the City Council. If such a timely and complete application for renewal is submitted, along with the applicable fee or fees, the short-term rental permit duly issued, valid and in effect prior to its expiration date shall be extended until the date a determination is made by the Planning Director to approve or deny such application for renewal.

.100 All applications for the renewal of a short-term rental permit filed on or after August 11, 2016 will be processed by the Planning Director subject to the procedures, terms, conditions and requirements of this

chapter in effect as of August 11, 2016, as the same may be amended from time to time.

.110 Except as otherwise provided for pending applications in subsection .070 of this section, in the event that the Planning Director determines that an application for renewal of a short-term rental permit is incomplete or fails to provide the information and documentation required by this chapter, the Planning Director shall notify the applicant in writing, and the applicant shall have thirty (30) calendar days (or longer as authorized by the Planning Director) in which to submit needed supplemental information or documentation as specified by the Planning Director. The city reserves the right to request additional information and documentation from an applicant regarding an application for renewal of a short-term rental permit and to accept responses to requests for supplemental information or documentation. If such a timely and complete application for renewal of a short-term rental permit is submitted, the short-term rental permit previously and duly issued, valid and in effect prior to its expiration date shall be automatically extended until the date a determination is made by the Planning Director to approve or deny such application for renewal.

.120 No additions to or alterations of structures on a short-term rental property will be considered for the purpose of increasing the number of bedrooms or the square footage of a dwelling in connection with an application for renewal of a short-term rental permit in excess of the number of bedrooms and the square footage of the dwelling depicted in the floor plans that were approved for permits issued prior to the adoption of the moratorium on September 15, 2015, or that were approved for permits during the period of the moratorium, or that were set forth in pending applications, unless otherwise permitted pursuant to the short-term-rental process that was utilized by the city prior to the adoption of the moratorium on September 15, 2015. Remodels that do not add square footage or bedrooms are not barred by this subsection. (Ord. 6299 § 1 (part); May 13, 2014: Ord. 6374 § 1 (part); July 12, 2016.)

4.05.050 AGENTS.

.010 An owner may retain an agent to comply with the requirements of this chapter, including, without limitation, (a) filing of supplemental information or documentation for a pending application on behalf of an owner in accordance with subsection .070 of section, (b) the filing of a complete application for renewal of a short-term rental permit that has been signed and notarized by the owner, (c) the management of a short-term rental property or short-term rental unit, (d) the filing of all reports and remittance of transient occupancy taxes, and (e) the compliance with the conditions of the short-term rental permit and the requirements of this chapter. The short-term rental permit shall be issued only to and in the name of the owner of a short-term rental unit, who shall be responsible for all requirements of this chapter.

.020 Notwithstanding subsection .010, the owner of a short-term rental unit shall not be relieved of any personal responsibility or personal liability for non-compliance with any applicable law, rule or regulation pertaining to the use and occupancy of the subject short-term rental unit, regardless of whether such non-compliance was committed by the owner's agent, a local contact person or the occupants of the owner's short-term rental unit. (Ord. 6299 § 1 (part); May 13, 2014: Ord. 6374 § 1 (part); July 12, 2016.)

4.05.060 APPLICATION REQUIREMENTS FOR PROCESSING PENDING APPLICATIONS AND FOR RENEWAL OF A SHORT-TERM RENTAL PERMIT.

.010 A permit shall be required for the use of a dwelling in the city as a short-term rental before undertaking, maintaining, facilitating, advertising for rent, listing or renting any dwelling to any person as a short-term rental.

.020 Any application required under this chapter shall be submitted to the Planning Director upon forms provided by the city and signed by the owner under penalty of perjury. Each application shall contain all of the following information at the time of filing an application. The owner or the owner's agent, as the case may be, shall promptly, upon a change of any of the information contained in or accompanying such application, update such information to maintain accuracy.

A. The full legal name, street and mailing addresses, the email address, and the telephone number of the owner of the dwelling and in all cases where a business entity or trust is the owner of the dwelling, the individual who has responsibility to oversee the ownership of the dwelling on behalf of the business entity or trust, including the street and mailing address, the email address and the telephone number of the individual having such responsibility.

B. If the owner of a dwelling is a business entity, information and documentation pertaining to the owner's status with the California Secretary of State.

C. If the "owner" is a lessee where a lessee is offering a dwelling, or any portion thereof, as a short-term rental, the lessee shall provide (i) the full legal name of the person(s) or entity(ies) that hold(s) legal title to the dwelling, (ii) the street and mailing addresses, email address, and telephone number(s) of said person(s) or entity(ies), and (iii) said written acknowledgement by said person(s) or entity(ies) of his/her/its/their understanding of all City of Anaheim short-term rental rules and his/her/its/their agreement that he/she/it/they is/are legally responsible for compliance by all occupants of the short-term rental unit with all provisions of this chapter and this code and his/her/its/their liability for any fines incurred by occupants or a responsible person.

D. If the "owner" is a lessee where a lessee is offering a dwelling, or any portion thereof, as a short-term rental, the person(s) or entity(ies) that hold(s) legal title to a dwelling that is the subject of a short-term rental permit shall by written agreement with the city provide that such person(s) or entity(ies) and the subject property shall be subject to the provisions of Section 2.12.090 (Transient Occupancy Tax a Debt—Civil Action) of this code for the failure of the owner's lessee to pay transient occupancy tax to the city.

E. The full legal name or business name, the street and mailing address(es), the email address(es), and the telephone number(s) of the agent, if any, of the owner, including the owner's written authorization of engagement or appointment of the agent to act on behalf of the owner.

F. The full name, the email address, and telephone number of the local contact person, if any, if the local contact person is not also either the owner or the owner's agent.

G. The street address of the dwelling proposed to be used as a short-term rental unit.

H. A site plan and floor plan accurately and clearly depicting the size and location of the existing dwelling and the approximate square footage in the dwelling, the number and location of designated off-street parking spaces and the maximum number of vehicles allowed for overnight occupants. The floor plan shall describe the use of each room in the dwelling, the number, location and approximate square footage of all bedrooms, and any accessory buildings, including but not limited to garages and accessory living quarters, and the maximum number of overnight occupants under the limitations imposed under paragraph .0111 of subsection .010 of Section 4.05.100 of this chapter.

I. The permit renewal fee, as set by resolution of the City Council.

J. Written acknowledgement and agreement by the owner that, in the event a permit is approved and issued, the owner agrees to assume all risk and indemnify, defend and hold the city harmless concerning the city's approval of the permit, the operation and maintenance of the short-term rental unit and short-term rental property, and any other matter relating to the short-term rental unit and short-term rental property, including without limitation any claim or demand made by the governing body of a homeowners' or maintenance association having jurisdiction over the subject dwelling in any action or proceeding in which the city is named or made a party arising out of or connected with the subject matter of any applicable covenants, conditions and restrictions and/or rules and regulations. It is the responsibility of the owner and not the city to investigate, verify with the relevant homeowners' association or maintenance organization, and determine that the use of a dwelling as a short-term rental does not violate any applicable covenants, conditions and restrictions or any of the regulations or rules of the homeowners' association or maintenance organization having jurisdiction in connection with the short-term rental property. Notwithstanding the city's issuance of a short-term rental permit, the city shall not have any obligation or be responsible for making a determination regarding whether or not the issuance of a short-term rental permit or the use of a

dwelling as a short-term rental is permitted under any covenants, conditions and restrictions or any of the regulations or rules of the homeowners' association or maintenance organization having jurisdiction in connection with the short-term rental property, and the city shall have no enforcement obligations in connection with such covenants, conditions and restrictions or such regulations or rules. If the "owner" is a lessee where a lessee is offering a dwelling, or any portion thereof, as a short-term rental, the person(s) or entity(ies) that hold(s) legal title to a dwelling that is the subject of a short-term rental permit shall provide the same written acknowledgement and agreement as a lessee.

K. Written acknowledgement by the owner and the owner's agent (if any) that he/she/they have read all regulations pertaining to the operation of a short-term rental, including this chapter, the city's business license requirements, the city's transient occupancy requirements, any additional administrative regulations promulgated or imposed by the Planning Director to implement this chapter, and acknowledging responsibility for compliance with the provisions of this chapter.

L. Such other information as the Planning Director deems reasonably necessary to administer this chapter.

.030 The Planning Director shall review each pending application and application for renewal of a duly issued permit for completeness and accuracy before it is accepted as being complete and officially filed. The Planning Director's determination of completeness shall be based on the aforementioned list of required application contents and any additional information determined by the Planning Director to be necessary to determine conformance with this chapter.

.040 An application may be denied if a short-term rental permit for the same dwelling and issued to the same owner has expired or previously has been revoked.

.050 Except for a pending application, which shall be governed by the provisions of subsection .070 of Section 4.05.040, the applicant for the renewal of a duly issued short-term rental permit shall be notified in writing of any revisions or additional information required and shall submit the requested information to the Planning Director within thirty (30) calendar days after the date of notice. Failure to submit the required information within the thirty (30) day period may be cause for denial of the renewal application.

.060 The Planning Director may require an on-site inspection of the property to be performed by an enforcement officer before confirming that the application complies with all of the applicable criteria and provisions of this chapter.

.070 A pending application or an application for renewal of a duly issued permit may be denied if the dwelling and/or the real property proposed for use as a short-term rental is subject to any outstanding building, electrical, plumbing, mechanical, fire, health, police or code enforcement matters, including any notices of violation, notices to cure, orders of abatement, cease and desist orders, or correction notices; provided, however, that the Planning Director may approve a pending application or the renewal of a duly issued permit in his or her sole and absolute discretion conditioned upon timely compliance with conditions identified by the Planning Director and attached to the permit.

.080 If the Planning Director determines that an applicant for a pending application or an applicant for renewal of a short-term rental permit has satisfied the application requirements, including payment of fees established by the City Council by resolution, the Planning Director shall issue a permit (for pending applications) and, for properties that had legal permits, a renewal permit, the issuance of which shall be conditioned upon compliance with the conditions identified by the Planning Director in the permit and subject to compliance with the operational requirements of Section 4.05.100 and with all other terms, conditions and requirements of this chapter and the code. If a permit in response to a pending application or an application for renewal of a duly issued short-term rental permit is not issued, the Planning Director will notify the applicant in writing. The notice will set forth the Planning Director's reasons for denial and the procedures for an appeal of the Planning Director's determination.

.090 As a part of the approval of a pending application or the renewal of a short-term rental permit, the Planning Director may impose such conditions in connection with the permit as he or she deems necessary

in order to fulfill the purposes of this chapter and may require reasonable guarantees and evidence that such conditions will be complied with.

.100 Upon issuance of a short-term rental permit in response to a pending application or an application for renewal of a duly issued short-term rental permit, the owner shall comply with all requirements of the business license provisions and transient occupancy tax provisions of this code for the short-term rental unit.

.110 Within fourteen (14) calendar days of a change of ownership of a short-term rental property, the new owner or the new owner's agent shall submit to the Planning Director an application for a transfer of a short-term rental permit, accompanied by the payment of such fee or fees as may be established by resolution of the City Council. Such application shall contain all of the information set forth in subsection .020 of this section and shall be accompanied by payment of the requisite fee for the processing of the transfer application, as set by resolution of the City Council. If such a timely and complete transfer application is submitted, the short-term rental permit duly issued, valid and in effect prior to its expiration date, shall be extended until the date a determination is made by the Planning Director to approve or deny such application. No purchaser of the real property upon which the permitted short-term rental is located shall operate a short-term rental under the permitted owner's short-term rental permit if a completed transfer application is not submitted within the fourteen (14) day period. Failure to timely submit the required complete application within the fourteen (14) day period may be cause for denial. Likewise, any outstanding building, electrical, plumbing, mechanical, fire, health, police or code enforcement matters, including any notices of violation, notices to cure, orders of abatement, cease and desist orders, or correction notices, may be cause for denial of an application for a transfer of a short-term rental permit.

.120 At any time during the pendency of a short-term rental permit, the owner shall promptly, upon a change in any material facts set forth in the application for a short-term rental permit or a renewal thereof, including, but not limited to, a change of the owner's agent or local contact person, update such information to maintain accuracy. (Ord. 6299 § 1 (part); May 13, 2014; Ord. 6374 § 1 (part); July 12, 2016.)

4.05.070 TERM OF PERMIT AND RENEWAL.

.010 A short-term rental permit or renewal thereof issued under the authority of this chapter shall be valid from the date of its issuance until the first to occur of July 31 in the year issued (i.e., the "expiration date") set forth on the permit or the revocation date. A short-term rental permit shall be of no further force, validity or effect, and use of a dwelling for short-term rental purposes shall cease, upon the first to occur of the expiration date or revocation date of the short-term rental permit, unless renewed pursuant to Section 4.05.040 of this chapter. Upon the lapse of a short-term rental permit because of expiration, a failure to renew, or because revocation has occurred, the owner of the property which was the subject of the permit or his/her heirs, successors or assigns shall have no further right to apply for or obtain a short-term rental permit or to undertake, maintain, facilitate, advertise for rent, list, rent or use said dwelling and/or the property as a short-term rental.

.020 A short-term rental permit shall not run with the land. The permission to operate a short-term rental under this chapter shall be personal and limited to the owner to whom the city issued the permit, including a person who acquires a short-term rental permit by application for a change of ownership in accordance with subsection .110 of Section 4.05.060 of this chapter.

.030 No person shall convey or attempt to convey a short-term rental permit from one property to another property. Any attempt to convey a short-term rental permit from one property to another property shall be void and shall constitute a violation of this chapter.

.040 No person shall transfer or attempt to transfer a short-term rental permit to any other person. A person may acquire a short-term rental permit from an owner if that person acquires the property, which, in the case where an "owner" is a lessee, would include a leasehold interest, that is subject to a short-term

rental permit and the owner or the owner's agent submits a transfer application and requisite application fee in accordance with subsection .110 of Section 4.05.060 of this chapter. Any attempt to transfer a short-term rental permit in violation of this subsection shall be void and shall constitute a violation of this chapter. Likewise, any attempt to operate a short-term rental use under a transferred short-term rental permit shall constitute a violation of this chapter.

.050 If an owner desires to renew a short-term rental permit, an owner must apply for and renew a short-term rental permit annually, indicating at renewal any changes to the information or requirements set forth in Section 4.05.060, above. The application for renewal must be filed not later than the expiration date set forth on the permit. The application for renewal shall be upon a form provided by the Planning Director and accompanied by payment of a permit renewal fee set by resolution of the City Council.

.060 The application for renewal shall be processed and acted upon in the same manner and be subject to the requirements of this chapter.

.070 Prior to expiration of a short-term rental permit, the owner may voluntarily cancel the permit by notifying the Planning Director in writing of the intent to cancel the permit. The permit shall become void upon the earlier to occur of the date specified by the owner or the expiration of the permit. Thereafter, the subject property shall no longer be used or capable of being used as a short-term rental.

.080 The Planning Director shall approve the renewal of a short-term rental permit if the Planning Director finds that no circumstances existed during the term of the permit which would cause a violation to exist, and that at the time of submission of the application for renewal, or at any time during the processing of the application for renewal, the application meets the conditions of permit issuance pursuant to Sections 4.05.040 and 4.05.060 and the operational requirements of Section 4.05.100. Such approval shall be conditioned upon and subject to compliance with the conditions identified by the Planning Director in the renewal, the operational requirements of Section 4.05.100, and with all other terms, conditions, and requirements of this chapter and the code. (Ord. 6299 § 1 (part); May 13, 2014: Ord. 6374 § 1 (part); July 12, 2016.)

4.05.080 DENIAL OF PERMIT.

No pending application or application for renewal of a duly issued short-term rental permit shall be denied if the application meets the conditions of permit issuance pursuant to Sections 4.05.040 and 4.05.060 and the operational requirements of Section 4.05.100, unless a short-term rental permit issued to the same owner for the short-term rental unit has been revoked or is in the process of being revoked pursuant to Section 4.05.130, or unless the terms, conditions, rules, or regulations relating to short-term rental use are modified by other ordinances, resolutions, or measures that provide for denial on other grounds or that provide for termination of some or all short-term rental uses. The Planning Director's determination on the issuance or denial of a short-term rental permit in response to a pending application or a renewal of a duly issued short-term rental permit may be appealed in accordance with the appeal and hearing provisions of Section 4.05.150 of this chapter. (Ord. 6299 § 1 (part); May 13, 2014: Ord. 6374 § 1 (part); July 12, 2016.)

4.05.090 APPLICATION FEES.

Applications required under this chapter shall be accompanied by the fee or fees established by resolution of the City Council. (Ord. 6299 § 1 (part); May 13, 2014: Ord. 6374 § 1 (part); July 12, 2016.)

4.05.100 CONDITIONS OF PERMIT ISSUANCE AND RENEWAL; OPERATIONAL REQUIREMENTS.

.010 All permits and renewals issued pursuant to this chapter are subject to the following requirements:

.0101 The owner shall ensure that the short-term rental property and short-term rental unit(s) comply with all applicable codes regarding fire, building and safety, health and safety, and all other relevant laws, regulations and ordinances and obtain all permits required and pay all applicable fees.

.0102 The short-term rental property and short-term rental unit(s) must be in compliance with all applicable codes regarding fire, building and safety, health and safety, and all other relevant laws, regulations and ordinances prior to permit issuance or renewal and at all times during the pendency of a short-term rental permit.

.0103 The owner shall permit an enforcement officer to conduct an inspection of the premises of a short-term rental unit and short-term rental property to confirm compliance with this chapter, including the requirements of this paragraph. Each dwelling must satisfy the following requirements to the satisfaction of the city:

(a) The property address shall be visible from the street and in contrasting colors for quick identification by emergency responders, day or night.

(b) Smoke alarms shall be installed in all habitable areas except the kitchen in accordance with the Anaheim Building Code. The owner shall be responsible for testing and maintaining the smoke alarms.

(c) At least one 2A: 10BC-rated portable fire extinguisher (State Fire Marshal approved design) shall be installed in plain sight and within easy reach on each floor of a dwelling. The owner shall be responsible for replacement or recharge after each use. The fire extinguisher shall be fully charged at all times.

(d) One or more carbon monoxide devices meeting the standards of Section 13262 of the California Health and Safety Code shall be installed in common stairways and hallways. The owner shall be responsible for testing and maintaining the carbon monoxide devices.

(e) An automatic fire sprinkler system approved by the State Fire Marshal shall be installed in a dwelling having an occupancy permitted under this chapter of more than ten (10) persons. Installation shall occur not later than that date which is eighteen (18) months following August 11, 2016. The owner shall apply for and obtain all permits required for the installation and pay all required fees. The owner shall be responsible for testing and maintaining the fire sprinkler system. If an owner agrees to a restriction in the short-term rental permit limiting the occupancy to ten or fewer occupants, even though the bedroom count would allow more occupants, the automatic sprinkler system requirement shall not apply.

(f) An exit/egress and an emergency evacuation map printed in type and size approved by the city's Fire Chief or his or her authorized representative shall be displayed in a prominent location on each floor used for sleeping purposes and on the interior or back side of each bedroom door.

(g) An informational packet of emergency numbers shall be prepared for and provided to occupants to direct them in the event of an emergency.

(h) Exterior gates leading to and from the front, side and/or back yards shall not be padlocked.

(i) Hallway doors and exit doors shall not be obstructed or otherwise prohibited from fully opening.

(j) If a short-term rental unit may be rented to any person whose overnight occupants include a person who is "non-ambulatory" (as defined in Chapter 2 of the California Fire Code), there will be at least one bedroom that meets the following requirements: exiting from a short-term rental unit shall be provided by way of an exterior exit door from that bedroom unless (1) occupants are able to exit from that bedroom without entering a hallway through a door into an adjoining bedroom or other room that has an exit to the exterior of the dwelling, or (2) occupants are able to exit from that bedroom through a hallway to a room adjoining the hallway that has an exit to the exterior of the dwelling; however, a door is required in the hallway, which hallway door shall open in the direction of travel and have a self-closure and be a 1-3/8 inch solid core. The owner shall apply for and obtain all permits required for the installation and pay all required

fees. The requirements of this paragraph (j) must be met by not later than that date which is eighteen (18) months following August 11, 2016.

(k) No double-keyed dead bolt locks may be installed on exit doors.

(l) Dwellings with swimming pools, as defined in Chapter 2 of the California Building Code, shall have gates that conform to the specifications and requirements of Section 3109.4.1.7 (entitled "GATES") of the California Building Code.

The time limits within which to satisfy one or more of the requirements provided in this paragraph .0103 may be extended by the enforcement officer responsible for enforcing the requirements of this paragraph .0103 upon written application made by an owner to the Fire Chief and upon the showing of good cause therefor to the satisfaction of the Fire Chief. In addition, upon written application of an owner made to the Fire Chief and showing good cause demonstrating that strict application of a specific requirement in this paragraph .0103 will deprive the owner of benefits that owners of most other short-term rentals in the city are able to enjoy, the Fire Chief may, in the Fire Chief's sole and absolute discretion, modify, waive, adjust or grant an exception to said requirements.

.0104 The city shall have the authority to conduct random inspections of a short-term rental property and short-term rental unit(s) as the Planning Director deems necessary or prudent to ensure compliance with the provisions of this chapter, including without limitation, based upon any complaints or violations that occur or prior to a renewal of a permit.

.0105 (a) While a short-term rental unit is rented, the owner, the owner's agent and/or a local contact person shall be available by telephone twenty-four (24) hours per day, seven (7) days per week to respond to complaints regarding the use, condition, operation or conduct of occupants of a short-term rental unit. The owner, the owner's agent, and/or a local contact person must be on the premises of the short-term rental at the request of an enforcement officer or the city's Police Department within forty-five (45) minutes of contact to satisfactorily correct or take remedial action necessary to resolve any complaint, alleged nuisance or violation of this chapter by occupants occurring at the short-term rental property. Failure of the owner, the owner's agent, and/or a local contact person to respond to calls or complaints in a timely and appropriate manner shall be grounds for imposition of penalties as set forth in this chapter.

(b) Within ten (10) calendar days following (i) the issuance of a short-term rental permit in response to a pending application under paragraph .0704 of Section 4.05.040, (ii) the issuance of a renewal permit, and/or (iii) the approval of a transfer application under subsection .110 of Section 4.05.060, the owner shall mail or personally deliver in writing the following information to the owners and occupants of properties contiguous to and directly across the street (or alley or other right-of-way) from the short-term rental property: the name and telephone number of the person, whether the owner, the owner's agent or the local contact person, who shall be available twenty-four (24) hours per day, seven (7) days per week to respond to complaints regarding the use, condition, operation or conduct of occupants of a short-term rental unit. Thereafter, within thirty (30) days of the occurrence of the events described in subparagraphs (i), (ii) or (iii), the owner shall sign under penalty of perjury, and submit to the Planning Director, a dated written certification that the required mailing or delivery was completed. At any time during the pendency of a short-term rental permit such information changes, the owner shall promptly mail or personally deliver in writing the updated information to maintain accuracy and shall also promptly submit to the Planning Director a signed (under penalty of perjury) and dated written certification that the required mailing or delivery of the updated information was completed.

.0106 All off-street parking required by this chapter shall conform to the provisions of Section 18.42.030 (Residential Parking Requirements) of Chapter 18.42 (Parking and Loading) of this code; provided, however, that required off-street parking spaces may be in tandem to other off-street parking spaces, or in some other location and/or configuration, if approved by the Planning Director in his or her sole and absolute discretion in accordance with subsection .030 of Section 4.05.100 of this chapter.

.0107 During periods that the short-term rental property is being used as a short-term rental by occupants, no recreational vehicle or other vehicle used or designed for use as lodging or sleeping

accommodations, bus, boat, trailer, camper, cargo container, or personal water craft may be parked at or on the short-term rental property or on the street, unless it belongs to the owner, the owner is also physically occupying the short-term rental property during that period, and is not being used by short-term rental occupants.

.0108 Short-term rental property(ies) and short-term rental unit(s) shall be used only for overnight lodging accommodations. At no time shall a short-term rental unit or short-term rental property be used for activities in excess of the occupancy limits established in paragraph .0111 or for weddings, receptions, parties, commercial functions, advertised conferences, or other similar assemblies that are separate from the purpose of lodging.

.0109 All advertising appearing in any written publication or on any website that promotes the availability or existence of a short-term rental shall include the city-issued permit number (RBG ID#) as part of the rental offering. No person shall advertise the use of a dwelling as a short-term rental unless the city has approved a short-term rental permit pursuant to this chapter.

.0110 The duration of any rental of a dwelling as a short-term rental shall be for a minimum of three (3) consecutive nights. In any advertising concerning the availability of a dwelling as a short-term rental, the owner or owner's agent shall advertise the minimum number of rental nights set forth in this paragraph and the maximum number of occupants allowed to occupy the short-term rental.

.0111 Until January 1, 2017, the occupancy limits for a short-term rental shall be as set forth in paragraph .0112 of subsection .010 of Section 4.05.100 of this chapter in effect prior to August 11, 2016. Thereafter, commencing January 1, 2017, the owner shall limit occupancy of a short-term rental property to a specific number of occupants. The following table sets forth the maximum number of occupants:

Number of Bedrooms	Total Occupants
0-Studio	2
1	4
2	7
3	9
4	11
5	13
6	15
7	17
8	19

For any dwelling having more than eight (8) bedrooms, the maximum number of occupants shall not exceed nineteen (19) persons. If the short-term rental permit limits occupancy to a number less than that shown on the table, the limit in the permit shall govern.

.0112 All vehicles of occupants of a short-term rental unit shall be parked only in an approved driveway or garage on the short-term rental property. The maximum number of vehicles allowed on a short-term rental property shall be limited to the number of available off-street parking spaces; however, such property must have a minimum of two (2) off-street parking spaces. The owner shall provide access to the garage of the dwelling if that area has been included in the determination of the number of available off-street parking spaces pursuant to this chapter. In no event shall off-street parking include the use of landscaped areas, any private or public sidewalk, parkway, walkway or alley (or any portion thereof) located on, at or adjacent to the short-term rental property or the blocking of the driveway or street in front

of said property. The term "sidewalk" shall include that portion of a driveway that is delineated for pedestrian travel or is in the public right-of-way.

.0113 No on-site exterior signs shall be posted advertising the availability of a short-term rental at the short-term rental property.

.0114 The business license or copy thereof shall be prominently displayed in a visible interior location at the short-term rental property during any periods of occupancy thereof by any person other than the owner(s) of the dwelling.

.0115 If an enforcement officer has received a complaint concerning a suspected violation of this chapter or of the code or any applicable law, rule, or regulation pertaining to the use or occupancy of a short-term rental unit, or if the enforcement officer has reason to believe that such a violation has occurred, any adult occupant of the short-term rental, must, upon presentation of reasonable identification by the enforcement officer, grant the officer immediate access to the short-term rental to investigate the complaint or suspected violation. Failure to provide such access shall be deemed to be a major violation of this chapter. If neither the responsible person nor any adult occupant is present at the short-term rental when the enforcement officer is investigating such a complaint or has reason to believe a violation has occurred, the enforcement officer may notify the owner, the owner's agent and/or the local contact person of the complaint or suspected violation and the notified person must arrange for access to be provided to the officer to the short-term rental within forty-five (45) minutes of notification. Failure of the owner, the owner's agent and/or the local contact person to timely arrange for such access or to affirmatively respond to the officer's request to resolve the complaint or terminate the violation shall be deemed to be a major violation of this chapter. Notwithstanding the foregoing, it is not intended that an owner, the owner's agent or the local contact person act as a peace officer or place himself or herself in an at-risk situation.

.0116 The owner, the owner's agent and the local contact person shall use reasonably prudent business practices to ensure that the occupants of a short-term rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate any applicable law, rule or regulation pertaining to the use and occupancy of the subject short-term rental unit.

.0117 No musical instrument, phonograph, loudspeaker, amplified or reproduced sound, or any machine or device for the production or reproduction of any sound shall be used outside or be audible from the outside of a short-term rental unit between the hours of 10 p.m. and 9 a.m.

.0118 Occupants shall not engage in outdoor activities on a short-term rental property between the hours of 10:00 p.m. and 9:00 a.m. that involve the use of swimming pools, hot tubs, spas, tennis and paddleboard courts, play equipment and other similar and related improvements. The hours between 10:00 p.m. and 9:00 a.m. are considered to be "quiet time," where all activities at a short-term rental property shall be conducted inside of a short-term rental unit so that no outdoor activity will disturb the peace and quiet of the neighborhood adjacent to a short-term rental property or cause discomfort or annoyance to any reasonable person of normal sensitivity residing in the area. The owner shall post signs of a size, type and at a location (or locations) acceptable to the Planning Director near all doors leading to the exterior of a short-term rental unit, advising occupants of "quiet time."

.0119 Trash and refuse shall not be left stored within public view, except in proper containers for the purpose of collection by the responsible trash hauler and between the hours of 5:00 p.m. the day before and 8:00 p.m. the day of the scheduled trash collection. The owner of a short-term rental property shall provide sufficient trash collection containers and service to meet the demand of the occupants. The short-term rental property shall be free of debris both on-site and in the adjacent portion of the street.

.0120 Prior to occupancy pursuant to each separate occasion of rental of a short-term rental unit, the owner or the owner's agent shall enter into a written rental agreement with a responsible person which establishes and sets out the terms and conditions of the rental agreement and requires the responsible person to (1) provide his or her name, age, address, and driver's license number or passport number and agree to be accessible to the owner, the owner's agent and the local contact person (if any) by telephone at all times, and (2) acknowledge his or her understanding of all City of Anaheim short-term rental rules and

agree that he or she is liable for any fines incurred by occupants and legally responsible for compliance by all occupants of the short-term rental unit with all provisions of this chapter and this code, including the requirement that an adult occupant provide immediate access to an enforcement officer to investigate a complaint or suspected violation of this chapter or of the code or any applicable law, rule, or regulation pertaining to the use or occupancy of a short-term rental property. Said written rental agreement shall also include the following terms, notifications and disclosures, a copy of which rental agreement shall be given to each occupant and shall also be posted in a conspicuous location inside the short-term rental unit and shall be readily available for inspection upon request of any enforcement officer or the city's Police Department:

(a) The maximum number of occupants that are permitted and notification that failure to conform to the maximum occupancy is a violation of this chapter.

(b) The number of off-street parking spaces provided on the short-term rental property and the maximum number of vehicles that are permitted, along with a summary of all applicable parking rules.

(c) The trash pick-up day(s) and applicable rules and regulations pertaining to leaving or storing trash on the exterior of the short-term rental property.

(d) Notification that occupants may be cited or fined by the city and/or that the owner or the owner's agent has the right to immediately terminate the rental agreement and immediately evict the responsible person and all occupants upon any violation of this chapter or the code by any occupant.

(e) The name of the owner's agent and the name of the local contact person (if any) and a telephone number at which those persons may be reached at all times and 9-1-1 Emergency information.

(f) Notification of the city's Loud and Unreasonable Noise Ordinance (Chapter 6.73 of the code), which restricts excessive noise between the hours of 10 p.m. and 7 a.m.

(g) A clear and conspicuous statement that occupants must obey the requirements set forth in this chapter even if these requirements are more strict than the applicable covenants, conditions and restrictions or other rules or regulations of the governing body of any homeowners' association or maintenance organization having jurisdiction over the short-term rental property.

(h) A summary of any applicable covenants, conditions and restrictions and rules and regulations, including pool location and hours, of the governing body of any homeowners' or maintenance association having jurisdiction over the short-term rental property. It is the responsibility of the owner and not the city to investigate, verify with the relevant homeowners' association or maintenance organization, and determine that the use of a dwelling as a short-term rental does not violate any applicable covenants, conditions and restrictions or any of the regulations or rules of the homeowners' association or maintenance organization having jurisdiction in connection with the short-term rental property. Notwithstanding the city's issuance of a short-term rental permit, the city shall not have any obligation or be responsible for making a determination regarding whether or not the issuance of a short-term rental permit or the use of a dwelling as a short-term rental is permitted under any covenants, conditions and restrictions or any of the regulations or rules of the homeowners' association or maintenance organization having jurisdiction in connection with the short-term rental property, and the city shall have no enforcement obligations in connection with such covenants, conditions and restrictions or such regulations or rules.

(i) A copy of this chapter of the code, as the same may be amended from time to time.

(j) Notification that no musical instrument, loudspeaker, amplified or reproduced sound, or any machine or device for the production or reproduction of any sound shall be used outside or be audible from the outside of a short-term rental unit between the hours of 10:00 p.m. and 9:00 a.m.

(k) Notification that occupants shall comply with "quiet time," meaning that they may not engage in activities outside of a short-term rental unit between the hours of 10:00 p.m. and 9:00 a.m. that involve the use of swimming pools, hot tubs, spas, tennis and paddleboard courts, play equipment or other similar and

related improvements or equipment and other activities that might be expected to cause discomfort or annoyance to any reasonable person of normal sensitivity residing in the area.

(l) Notification that any adult occupant of the short-term rental, must, upon presentation of reasonable identification by an enforcement officer, provide the officer immediate access to the short-term rental property and dwelling to investigate a complaint or suspected violation of this chapter or of the code or any applicable law, rule, or regulation pertaining to the use or occupancy of a short-term rental property, and that failure to provide such access is a major violation of this chapter.

.0121 It is unlawful for any owner, occupant, renter, lessee, person present upon, or person having charge or possession of a short-term rental to make or continue or cause to be made or continued any loud, unnecessary or unusual noise which disturbs the peace and quiet of any neighborhood or which causes discomfort or annoyance to any reasonable person of normal sensitivity residing in the area, or violates any provision of the city's Loud and Unreasonable Noise Ordinance (Chapter 6.73 of this code).

.0122 The owner, the owner's agent and the local contact person shall ensure that the occupants of a short-term rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of this code or any state law pertaining to noise, disorderly conduct, overcrowding, the consumption of alcohol, or the use of illegal drugs. Owners, owners' agents and local contact persons are expected to take any measures necessary to abate disturbances, including, but not limited to, directing the occupants of a short-term rental unit to cease the disturbing conduct, calling for law enforcement services or enforcement officers, removing the occupant(s), or taking any other action necessary to immediately abate the disturbance.

.0123 Unless the garage of the dwelling has been included in the calculation of the number of available off-street parking spaces pursuant to this chapter, a garage may be used by the owner and occupants of a short-term rental as a game room in accordance with the city's requirements therefor; provided, however, that (a) no couches or other furniture designed for use as, or conducive to, sleeping accommodations shall be located inside a garage; (b) no independent living accommodations and facilities (including provisions for living, sleeping, eating, cooking and sanitation) shall be located inside a garage; (c) the garage door must be kept closed and the Planning Director may require soundproofing of the garage as a condition of permit issuance on the basis of substantiated complaints of noise emanating from the garage; (d) a garage may not be used at any time for sleeping purposes; (e) a garage may not be permanently modified to preclude its future use for the parking of vehicles; and (f) a garage may not be used as a game room between the hours of 10:00 p.m. and 9:00 a.m.

.0124 All short-term rentals shall be subject to the city's transient occupancy tax, as required by Chapter 2.12 of this code.

.020 The Planning Director shall have the authority at any time to impose additional conditions on the use of any short-term rental unit and/or property to ensure that any potential secondary effects unique to the subject short-term rental unit or property are avoided or adequately mitigated.

.030 The Planning Director is authorized to modify the standard conditions upon request of an owner or an owner's agent based on site-specific circumstances for the purpose of allowing accommodation of a short-term rental unit and/or property. All requests must be in writing and shall identify how the strict application of one or more of the standard conditions create an actual and unreasonable hardship to a property such that, if the requirement is not modified, reasonable use of the property for a short-term rental would not be allowed. Any hardships identified must relate to physical constraints to the short-term rental property and shall not be self-induced or economic. Any modifications of the standard conditions shall not further exacerbate an already existing problem. In addition, the Planning Director is authorized to modify the standard conditions for a dwelling with a short term rental permit duly issued prior to the adoption of the moratorium on September 15, 2015 to accommodate for physical changes that added square footage or converted existing space to bedrooms pursuant to city building permits approved on or after the adoption of the moratorium on September 15, 2015. A request for such a modification must be in writing, identify the actual and unreasonable hardship to the owner that would occur if the accommodation is not allowed, and

provide such other supplemental information as may be required by the Planning Director. The Planning Director shall only allow modifications which are consistent with the purpose and intent of this chapter. (Ord. 6299 § 1 (part); May 13, 2014; Ord. 6374 § 1 (part); July 12, 2016.)

4.05.110 AUDIT.

Each owner, owner's agent or representative of any owner shall provide access to each short-term rental unit and any records related to the use and occupancy of the short-term rental unit to the Planning Director at any time during normal business hours for the purpose of inspection or audit to determine that the objectives and conditions of this chapter are being fulfilled. (Ord. 6299 § 1 (part); May 13, 2014; Ord. 6374 § 1 (part); July 12, 2016.)

4.05.120 RESPONSIBILITIES OF HOSTING PLATFORMS.

.010 No Listing or Advertisement of Unpermitted Short-Term Rental. No hosting platform shall list or advertise a short-term rental for which the city has not issued a permit. Upon written or electronic notification from the city that the city has not issued a permit for a short-term rental which is listed or advertised on the Internet web site provided or maintained by a hosting platform, the hosting platform shall discontinue and remove the listing or advertisement within ten (10) calendar days from the transmittal date of the notification. The hosting platform thereafter shall not list or advertise the short-term rental without written certification from the city that the required permit has been issued.

.020 No Facilitation of Violation of Law. A hosting platform shall not otherwise facilitate (see Section 4.05.030 E. of this chapter) the occupancy of a short-term rental if the occupancy will violate any ordinance, regulation or law of the city.

.030 Conformance to Law. The provisions of this section shall be interpreted in accordance with otherwise applicable state and federal law(s) and will not apply if determined by the city to be in violation of any such law(s). (Ord. 6374 § 1 (part); July 12, 2016.)

4.05.130 VIOLATIONS/PENALTIES.

.010 Administrative Citation. In addition or as an alternative to any other remedy provided by state law or this code, the city, the city's Police Department or an enforcement officer may issue a civil citation to the owner, the owner's agent, the local contact person, the responsible person, or the hosting platform if there is any violation of this chapter or the code committed, caused or maintained by such person or entity. When a violation occurs, it is not required that a warning or notice to cure must first be given, before a citation may be issued. All complaints for any violation of this chapter may be handled by either the city's Police Department or enforcement officers on a twenty-four (24) hour basis. Any police report where the city's Police Department has concluded that a violation of this chapter has occurred, may be submitted to the city's Community Preservation Manager for review, processing and issuance of a civil citation. Each and every day, or portion thereof, that a violation of this chapter exists constitutes a separate and distinct violation for which a civil citation may be issued. Such a civil citation shall be issued, notice given, and any appeals heard by the processes and in the manner prescribed by Chapter 1.20 of this code.

.0101 Responsible Person. The city may issue and the responsible person for each short-term rental may receive a civil citation for any violation of this chapter as follows:

- (1) A two hundred dollar (\$200.00) fine for each minor offense;
- (2) A five hundred dollar (\$500.00) fine for each major offense.

.0102 Owner, Owner's Agent or Local Contact Person. The city may issue and the owner, the owner's agent or the local contact person may receive a civil citation for any violation of this chapter or the code by

the owner, the owner's agent, the local contact person, the responsible person or the occupants of the owner's short-term rental as follows:

- (1) First offense — a two hundred dollar (\$200.00) fine for a minor offense and one thousand dollar (\$1,000.00) fine for a major offense;
- (2) Second offense within any continuous period of twelve (12) consecutive months in connection with the same short-term rental property — a four hundred dollar (\$400.00) fine if the offense is a minor offense and a one thousand five hundred dollar (\$1,500.00) fine if the offense is a major offense;
- (3) Third and subsequent offenses within any continuous period of twelve (12) consecutive months in connection with the same short-term rental property — a one thousand dollar (\$1,000.00) fine if the offense is a minor offense and a two thousand five hundred dollar (\$2,500.00) fine if the offense is a major offense, and if the offense is a major offense, the penalty of revocation of the short-term rental permit pursuant to Section 4.05.130 of this code shall also be applicable;
- (4) Any offense occurring during any permit revocation period — a two thousand five hundred dollar (\$2,500.00) fine;

.0103 Hosting Platform. Unless prohibited by any state or federal law, the city may issue and the hosting platform may receive a civil citation for any violation of this chapter or the code by the hosting platform as follows:

- (1) First offense — a five hundred dollar (\$500.00) fine;
- (2) Second offense within any continuous period of twelve (12) consecutive months — a one thousand dollar (\$1,000.00) fine;
- (3) Third and subsequent offenses within any continuous period of twelve (12) consecutive months — a two thousand dollar (\$2,000.00) fine.

.0104 Person or Entity Operating a Short-Term Rental Without a Short-Term Rental Permit. The city may issue and a person or entity operating a short-term rental without a short-term rental permit may receive a civil citation therefor as follows: a five hundred dollar (\$500.00) fine for each day that a violation occurs.

.020 Misdemeanor. In addition or in the alternative, any violation of this chapter may constitute a misdemeanor, which may be subject to the maximum punishment therefor as allowed by law.

.030 Public Nuisance. It is unlawful and a violation of this chapter, and is hereby declared a public nuisance, for any person to commit, cause or maintain a violation of any provision or to fail to comply with any of the requirements of this chapter. Any person violating any of the provisions or failing to comply with any of the requirements of this chapter will be subject to civil action and/or criminal prosecution. Each and every day in which a violation is committed will constitute a new and separate offense. In addition, the operation or maintenance of an unpermitted short-term rental may be abated or summarily abated by the city in any manner by this code or otherwise provided by law for the abatement of public nuisances. Pursuant to Government Code Section 38773, all expenses incurred by the city in connection with any action to abate a public nuisance will be chargeable to the persons creating, causing, committing, or maintaining the public nuisance.

.040 Modification, Suspension or Revocation. A violation of any provision of this chapter by any owner, owner's agent, local contact person, responsible person or occupant of a short-term rental shall constitute grounds for modification, suspension or revocation of the short-term rental permit pursuant to Section 4.05.140 of this chapter. When a violation occurs, it is not required that a warning or notice to cure must first be given in order to impose the sanction of modification, suspension or revocation of the short-term rental permit.

.050 **Additional Remedies.** The remedies provided in this section are not exclusive, and nothing in this section shall preclude the use or application of any other remedies, penalties or procedures established by law. (Ord. 6299 § 1 (part); May 13, 2014; Ord. 6374 § 1 (part); July 12, 2016.)

4.05.140 PROCEDURE FOR IMPOSITION OF MODIFICATION, SUSPENSION AND/OR REVOCATION OF SHORT-TERM RENTAL PERMIT.

.010 Authority to Modify, Suspend and/or Revoke Short-Term Rental Permit. In addition to any other penalty authorized by law, a short-term rental permit may be modified, suspended or revoked for any violation of this chapter or federal, state or local law in accordance with the provisions of this section.

.020 Major and Minor Violations. For purposes of this section,

.0201 A "major violation" consists of any of the following:

- (1) Construction without a permit, excluding emergency repairs that are subsequently permitted;
- (2) A violation of prohibitions on outdoor activities on short-term rental properties;
- (3) A short-term rental for less than the 3-night minimum;
- (4) Exceeding occupancy limitations, including without limitation owner-imposed occupancy limits pursuant to paragraph .0103(e) of subsection .010 of Section 4.05.100 of this chapter;
- (5) A violation of the prohibition for use of the short-term rental for non-lodging purposes, including but not limited to for weddings, receptions, parties, commercial functions, advertised conferences, or other similar assemblies that are separate from the purpose of lodging;
- (6) A violation of the requirement that an enforcement officer, upon the presentation of reasonable identification, be provided with immediate access to the short-term rental property and dwelling to investigate a complaint or suspected violation of this chapter or of the code or any applicable law, rule, or regulation pertaining to the use or occupancy of a short-term rental property;
- (7) The unpermitted use of a garage as a game room or for sleeping purposes;
- (8) A failure of the owner to obtain the signature of the primary occupant of the short-term rental acknowledging the rules;
- (9) A violation of the city's Loud and Unreasonable Noise Ordinance;
- (10) A failure to pay the Transient Occupancy Tax (TOT) required for the short-term rental;
- (11) Criminal activities on the premises; or
- (12) Two (2) minor violations of the same type in connection with the same short-term rental property during any continuous period of twelve (12) months or four (4) minor violations of different types in connection with the same short-term rental property within any continuous period of twelve (12) months.

.0202 A "minor violation" is any violation of any law, ordinance, resolution, or permit condition regulating short-term rentals or short-term rental properties or any other provisions of federal, state or local law that does not constitute a "major violation" as set forth above.

.030 Modification of Conditions; Suspension or Revocation of Permit. The Planning Director shall have the authority to impose additional conditions on any short-term rental permit in the event of any violation of any condition of the permit or any violation of this chapter or federal, state or local law. The Planning Director shall also have the authority to suspend or revoke a short-term rental permit for any two (2) major violations in connection with the same short-term rental property within a continuous period of twelve (12) months. A change of ownership shall have no effect on the accumulation of violations against the short-

term rental property. Any modification of conditions or suspension or revocation of a short-term rental permit shall be in accordance with the following procedures.

.0301 The Planning Director, or his/her authorized representative, shall conduct an investigation whenever he or she has reason to believe that an owner, an owner's agent or local contact person is in violation of, or has failed to comply with, any condition of the short-term rental permit, any requirements of this chapter or federal, state or local law.

.0302 Should the investigation reveal substantial evidence to support a finding that a violation occurred, the Planning Director shall issue a written notice of intention to modify, suspend and/or revoke the permit. The written notice shall be served on the owner, shall specify the facts which, in the opinion of the Planning Director, constitute substantial evidence to establish grounds for modification, suspension and/or revocation, and state that the permit will be modified, suspended or revoked within thirty (30) calendar days from the date the notice is given unless the owner or person aggrieved by the Planning Director's decision files with the City Clerk, before the modification, suspension or revocation becomes effective, a request for an administrative hearing to appeal the decision pursuant to Section 4.05.150. (Ord. 6299 § 1 (part); May 13, 2014; Ord. 6374 § 1 (part); July 12, 2016.)

4.05.150 APPEALS AND ADMINISTRATIVE HEARING PROCEDURE FOR ADMINISTRATIVE DETERMINATIONS.

.010 Request for Administrative Hearing.

0101. Any request for an administrative hearing to appeal the decision of the Planning Director (hereinafter "administrative determination") pursuant to this chapter (hereinafter "appeal") must be made in accordance with this section. Any appeal must be in writing, accompanied by any required fee or fees established by resolution of the City Council, and submitted to the City Clerk. Any such appeal must be received by the City Clerk within ten (10) calendar days of the date the written notice of the administrative determination being appealed is mailed (via first class delivery) to the interested and affected person.

0102. The letter of appeal must state: (1) the specific administrative determination or action being challenged (including an identification of the date on which the administrative determination was issued); (2) the action appellant requests the city to take; (3) all factual and legal grounds which the appellant wishes the city to consider as reasons for the appeal (such grounds to be identified by the appellant shall include, without limitation, any and all constitutional or statutory claims); and (4) the name, address and telephone number of the appellant and any authorized representatives of the appellant.

0103. Any administrative determination that is subject to the appeal provisions of this chapter shall be final unless appealed pursuant to the requirements of this chapter. Failure to timely request an administrative hearing, and/or to fully state all factual and legal grounds for the appeal, in the manner required by this chapter constitutes a waiver of the appeal and a failure to exhaust administrative remedies.

0104. Any notices required by this chapter shall be served either: (1) by personal delivery to the person to be notified, or (2) by deposit in the United States mail in a sealed envelope, postage prepaid, addressed to the person to be notified at the person's last known business or residence address as determined by the Planning Director. The person effecting service of any notice under this section may memorialize the service by written declaration under penalty of perjury, declaring the date, time, and manner that service was made, and the date and place of posting, if applicable. The declaration, along with any receipt card returned in acknowledgment of receipt by certified mail, shall be affixed to a copy of the notice of violation and retained by the Planning Director.

.020 Hearing Procedure.

0201. Selection of Hearing Officer. After the receipt of a request for an appeal, the City Clerk shall designate an "Employee Hearing Officer", as established in paragraph .0101 of subsection .010 of Section 1.12.110 of this code, to hear the appeal at an administrative hearing.

0202. Notice of Hearing. The hearing shall be conducted by the Employee Hearing Officer on the date, time, and location specified in the written notice of hearing delivered by the Planning Director to the appellant.

0203. Continuances. The Employee Hearing Officer may continue a hearing from time to time, and may request additional information from the Planning Director or the appellant before issuing a decision.

0204. Written Reports. All documents provided by the city in support of the determination that is the subject of the appeal shall be accepted by the Employee Hearing Officer as prima facie evidence of the facts stated in such documents. If the city submits any such documents to the Employee Hearing Officer, then a copy of the documents shall be served on the appellant at least five (5) days before the hearing.

0205. Appearance by City Representatives. The Planning Director and other representatives of the city may, but need not, appear and present evidence at the hearing.

0206. Failure to Appear. The failure of the appellant to appear at the hearing shall constitute a failure to exhaust his or her administrative remedies.

0207. At the Hearing. At the hearing, the appellant shall be given the opportunity to testify and to present evidence concerning the determination that is the subject of the appeal, including any evidence to show cause why the action the appellant is asking the city to take should be taken, and the appellant shall raise any and all legal and factual issues and claims concerning the determination under this section that is the subject of the appeal. The hearing need not be conducted in accordance with the technical rules of evidence. Any relevant evidence may be admitted if it is evidence on which reasonable persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might consider such admission improper in a civil action. The Employee Hearing Officer may exclude irrelevant or unduly repetitious evidence.

.030 Hearing Officer's Decision.

0301. Decision. After considering the testimony and evidence presented at the hearing, the Employee Hearing Officer shall issue a written decision, based on the preponderance of evidence, to uphold or overturn the original determination that is the subject of appeal, including the findings on which the decision was made. If the determination is overturned, the Employee Hearing Officer may remand the action to the Planning Director with directions to modify the determination. The Employee Hearing Officer shall send a copy of the decision to the appellant and to the Planning Director.

0302. Cost Recovery. The Employee Hearing Officer's written decision shall include a determination regarding fees and charges owed by the appellant, as required by this code.

0303. Finality of Decision. The Employee Hearing Officer's decision is final and may not be appealed. The decision shall include information regarding the appellant's right to seek judicial review of the Employee Hearing Officer's decision. (Ord. 6374 § 1 (part); July 12, 2016.)

4.05.160 EFFECT OF SHORT-TERM RENTALS ORDINANCE ON OTHER PROVISIONS OF CODE.

The issuance of any short-term rental permit pursuant to this chapter shall not relieve the owner of the obligation to comply with all other provisions of this code pertaining to the use and occupancy of the short-term rental or the property on which it is located. (Ord. 6299 § 1 (part); May 13, 2014; Ord. 6374 § 1 (part), 2016.)

4.05.170 NO VESTED RIGHTS.

Except in instances where constitutional principles or binding state or federal law otherwise provide, neither the provisions of the code nor any ordinances or other measures concerning short-term rentals are a

grant of vested rights to continue as a short-term rental indefinitely, and any short-term rental use and/or permits for a short-term rental use are subject to provisions of other ordinances, resolutions, or other city measures concerning short-term rentals that may be enacted or adopted concurrently with or after the August 11, 2016, though such ordinances, resolutions, or other city measures may change the terms, conditions and/or duration for a short-term rental use, including but not limited to those that may terminate some or all short-term rental uses, with or without some period of amortization. While this recitation concerning vested rights is implicit in any uses permitted by the city, this explicit recitation is set forth to avoid any uncertainty or confusion. (Ord. 6374 § 1 (part); July 12, 2016.)

4.05.180 TERMINATION AND AMORTIZATION OF PRE-MORATORIUM SHORT-TERM RENTALS.

.010 Notwithstanding anything to the contrary in Chapter 4.05, which may allow pre-moratorium short-term rentals as described in paragraph B of Section 4.05.020, subject to the hardship provisions that are further detailed in this section, all such pre-moratorium short-term rentals are prohibited in zones where residential uses are a permitted or conditionally permitted use after eighteen (18) months following August 11, 2016. The purpose of so deferring the termination of pre-moratorium short-term rentals is to provide a reasonable amortization period to the owners of properties with pre-moratorium short-term rentals within which they may recoup the costs they reasonably invested for short-term rental use to the extent such costs could not already have been reasonably recouped during the period of short-term rental use of the property and cannot be recouped once the short-term rental use is terminated. The provisions of this section shall supersede any other provisions of this code relating to the continuation or amortization of a non-conforming use. The provisions of this section, including without limitation the foregoing amortization period, shall not be applicable to those short-term rentals within the C-G General Commercial Zone that have been authorized pursuant to a conditional use permit approved in accordance with the provisions of this code prior to the adoption of the moratorium on September 15, 2015.

.020 in the event an owner believes that termination of the short-term rental use within the period provided in subsection .020 of this section will not provide the owner a reasonable period of time within which to recoup the costs the owner reasonably invested for short-term rental use, and that such costs cannot be recouped once the short-term rental use is terminated, the owner may apply to the Planning Director for a hardship extension. The duties and responsibilities of the Planning Director under this section may be performed by the Planning Director's designee. Any application for a hardship extension shall be made, processed, and acted on in accordance with the following provisions:

.0201 Not earlier than ninety (90) calendar days but no later than one hundred eighty (180) calendar days after the effective date of this ordinance, the owner may file an application with the Planning Director for the hardship extension, along with such fee or fees as may be established by the City Council by resolution. The owner shall sign the application under penalty of perjury. The application shall set forth the amount of additional time that the owner contends is necessary, beyond the period provided in subsection .020 of this section, to recoup the costs the owner reasonably invested for short-term rental use which cannot be recouped once the short-term rental use is terminated. The application shall fully set forth the owner's justification for such additional time. The application shall also include the following information:

(a) The date the property was acquired by the owner, the price and other terms of the acquisition that materially affected the price, and the purpose for which the property was acquired by the owner. If the property was acquired by a means other than an arms-length purchase (including without limitation a gift or inheritance), then the owner shall provide information concerning the most recent arms-length purchase involving the property.

(b) Each use the owner has made of the property since the owner's acquisition and the period of each such use. If the property was acquired by a means other than an arms-length purchase (including without limitation a gift or inheritance), then the owner also provide information concerning the most recent arms-length purchase involving the property.

(c) A detailed listing of expenditures made by the owner for capital improvements to the property for the purpose of putting the property to short-term rental use, since it was acquired, including the purpose of each expenditure, the amount, the date, the payee, and any other relevant information for each expenditure. The owner shall provide receipts, executed construction contracts and/or other written proof of each expenditure.

(d) A detailed listing of expenditures made by the owner for capital improvements to the property other than those made for the purpose of putting the property to short-term rental use, since it was acquired, including the purpose of each expenditure, the amount, the date, the payee, and any other relevant information for each expenditure. The owner shall provide receipts or other written proof of the each expenditure.

(e) A detailed listing of all expenditures incurred by the owner for the purpose of putting the property to short-term rental use, other than capital expenditures, including the purpose of each expenditure, the amount, the date, the payee, and any other relevant information for each expenditure. The owner shall provide receipts or other written proof of each expenditure.

(g) A detailed listing of all gross receipts received in connection with the use of the property for short-term rental purposes during such time as it was lawful to use the property for such purposes.

(h) For each short-term rental use that has been made of the property since such uses were permitted, the owner shall provide details on the duration of the rental, the amount of rent and other payments made to the owner for the rental, and the expenses directly associated with that rental (including but not limited to commission fees). The owner shall provide the date the property first was used as a short-term rental, the number of days that the property has been occupied as a short-term rental since that use commenced, and the average rent paid per day for short-term rental use since that use commenced. The owner shall state whether during the period that short-term rental use has been allowed for the property, the property has been put to any other uses (including without limitation residential use by the owner or others) and, if so, detail the number of days for each such use and any income generated from each such use.

(i) A detailed projection of the income and expenses that are anticipated if the requested hardship extension is approved.

(j) An identification and description of any contracts with third parties that commit the property to a future short-term rental use to a third party, including the dates of the committed use, the rental to be charged for the use, and any other relevant information relating to the contracted future use. The owner shall provide written evidence of the contacts identified.

(k) An identification and description of any long term commitments, whether leases, mortgages, or other commitments, that have been made by the owner in reliance on the ability to use the property for short-term rental purposes. The owner shall provide written documentation for each such commitment.

(l) The fair market value of the short-term rental property had there been no prohibition on short-term-rentals in zones permitting or conditionally permitting residential uses compared to the value of the short-term rental property as affected by the amortization provisions of this Section 4.05.180. The owner shall provide the factual basis and analysis substantiating these values, including comparable sales information, income approach elements and/or cost approach elements.

(m) Whether there has been or will be an increment in value accruing to the property as a result of the STR Regulations and Ban on New STRs Ordinance that will effectively limit the number of short-term rentals available in zones that permit or conditionally permit residential uses for the pre-moratorium short-term rental, and the factual basis and analysis substantiating that increment in value.

(n) Whether there has been or will be an increment in potential monthly rental income that the short-term rental property could generate from short-term rental use for the remaining period of allowed short-term rental use, by having a pre-moratorium right to short-term rental use while other properties (in zones permitting or conditionally permitting residential uses) could not be used for short-term rental purposes,

other than those properties that benefitted from the pre-moratorium right to short-term rental use. If so, the owner shall provide the factual basis and analysis substantiating the increment in potential monthly income for the period of permitted use.

(o) The amortized or depreciated value of the short-term rental property used for tax purposes.

(p) A financial analysis demonstrating the amount of time that will be required for the owner to recoup the costs reasonably invested for short-term rental use to the extent such costs could not already have been reasonably recouped during the period of short-term rental use of the property and cannot be recouped once the short-term rental use is terminated. The analysis should identify reference sources for each item of data included and set forth the basis for all assumptions made. The Planning Director may provide the owner with a requested form and/or format for the financial analysis, and if provided, such form and/or format shall be completed and submitted by the owner.

After receiving the application, the Planning Director may request any additional information reasonably necessary to ascertain relevant facts and circumstances; and if requested, the owner shall provide the requested information within thirty (30) calendar days of the Planning Director's request. The Planning Director may deem an application to be incomplete, and reject the application or return it to the owner for additional information, if the information set forth in the application is not fully provided in a manner that is comprehensive and understandable and that demonstrates how the factual information provided leads to the conclusion that the requested extension is necessary. The Planning Director, in his or her sole and absolute discretion, may waive one or more of the items listed above if he or she determines the purpose and intent of the amortization provisions of this section can be adequately achieved without the submittal of such item(s), but no waiver shall be effective unless in writing and signed by the Planning Director.

.0202 The burden shall be on the owner to establish the need and grounds for a hardship extension and to establish the reasonableness of the requested duration of the extension. Any alleged hardship that is based upon action or expenditures not reasonably taken or made in light of the circumstances, shall not be grounds for an extension. Any expenses for modifications or improvements to the short-term rental property incurred after August 11, 2016 shall be presumed not to be reasonably incurred unless proven that they were reasonably necessary to operate the short-term rental in a way that would ultimately reduce the duration of the extension otherwise necessary, because the modifications or improvements will allow for quicker recoupment of the owner's qualifying costs. If there is a sale of the short-term rental property after August 11, 2016, the costs to be considered for purposes of a hardship extension shall be those of the owner prior to August 11, 2016, and the new owner's purchase price and costs shall not be a basis of qualifying for a hardship extension. The Planning Director shall approve an extension upon determining that the owner has shown that since the commencement of the use of the owner's property as a short-term rental property, the owner has not had and will not have, within the time limit set forth in Section .020 above, a reasonable period of time within which to recoup the costs the owner reasonably invested for short-term rental use, and that the costs cannot be recouped once the short-term rental use is terminated. In the event an extension is approved, the Planning Director may only approve an extension of time for such period as is necessary to allow the owner a reasonable time for such recoupment of such costs.

.0203 In determining whether the owner has had and will have a reasonable period of time for recoupment of costs, the Planning Director shall consider the period of time that the owner has had for short-term rental use since the owner began to incur such costs, including periods of time before the STR Regulations and Ban on New STRs Ordinance was enacted and/or before the moratorium was enacted that preceded that ordinance. In addition to the information contained in the application submitted by the owner, the Planning Director may consider such additional competent and relevant information that the Planning Director may obtain by staff investigation or from other sources as the Planning Director may choose to consult or obtain; however, the Planning Director shall not be obligated to conduct any independent investigation or to seek information outside the scope of the owner's application. Upon request of the Planning Director, the owner shall be reasonably available for a conference to respond to questions or to review and discuss relevant information.

.0204 In considering the application and making a decision, the Planning Director may take into account all relevant information that relates to the determination of whether the owner has had or will have a reasonable period of time to recoup the costs the owner reasonably invested for short-term rental use, and that the costs cannot be recouped once the short-term rental use is terminated, including but not limited to any of the following matters he or she deems relevant:

(a) The information submitted in the owner's application.

(b) The period of time that the owner has had for short-term rental use since the owner began to incur such costs, including periods of time since the adoption of Ordinance No. 6299, and any period of operation preceding the adoption of Ordinance No. 6299.

(c) The amount of investment or original cost incurred by the owner.

(d) The fair market value of the short-term rental property had there been no prohibition on short-term rentals in zones permitting or conditionally permitting residential uses compared to the value of the short-term rental property as affected by the amortization provisions of this Section 4.05.180.

(e) The increase in value that the property benefitted from due to the market for real estate in the area, independent of any added increase that may have occurred as a result of the availability of the property for short-term rental use.

(f) Any increment of value that the property received by having a pre-moratorium right to short-term rental use while other properties (in zones permitting or conditionally permitting residential use) could not be put to short-term rental use, other than those that benefitted from the pre-moratorium right to short-term rental use.

(g) Any increment in potential income that the property could generate from short-term rental use by having a pre-moratorium right to short-term rental use while other properties (in zones permitting or conditionally permitting residential use) could not be put to short-term rental use, other than those that benefitted from the pre-moratorium right to short-term rental use.

(h) The income potential of the property since it was allowed to be used for short-term rental purposes and the income actually received by the owner from short-term rental use since it was allowed to be used for short-term rental purposes.

(i) Any amortization or depreciation of the improvements to the property that has been prepared for tax purposes.

(j) The extent of the owner's investment that is unique to the short-term rental use and does not serve any conforming use of the property;

(k) The extent of the owner's investment that will not be recovered on sale of the property.

(l) The owner's investment-backed expectations in light of current and pending regulation at the time that the investment was made.

(m) Replacement cost of improvements that might have been made that only serve the short-term rental use; and the length of time that the owner has had the benefit of the investment before the termination of the use.

(n) Any other information that bears upon the reasonable period of time for the owner of a pre-moratorium short-term rental to recoup the costs reasonably invested for short-term rental use to the extent such costs could not already have been reasonably recouped during the period of short-term rental use of the property and cannot be recouped once the short-term rental use is terminated.

.0205 A decision by the Planning Director to deny an application for a hardship extension, in whole or in part, or to limit the duration of an extension to a shorter period than requested by the owner, may be appealed by the owner pursuant to the provisions established in Section 4.05.150 (Appeals and

Administrative Hearing Procedure for Administrative Determinations) of this chapter, and subject to the following additional provisions. Rather than the Employee Hearing Officer, the City Hearing Officer, as defined in paragraph .0101 of subsection .010 of Section 1.12.110 of the code, shall conduct the hearing, receive evidence and make the final decision on behalf of the city. The deadline for filing an appeal shall be thirty (30) calendar days after the date the written notice of the Planning Director's decision is mailed (via first class delivery) to the owner. Such an appeal may be filed only if the owner timely submitted a complete application to the Planning Director for the hardship extension. The City Hearing Office shall conduct a de novo hearing for the appeal; however, the owner may not submit information to the City Hearing Officer other than that which was submitted to the Planning Director in connection with the owner's application for hardship extension, except to the extent the information could not have reasonably been provided to the Planning Director with the application or to the extent that the information is necessary to rebut or respond to information submitted by the City or any other person to the City Hearing Officer. The City Hearing Officer's decision shall be based on all relevant information, including the categories of information set forth in paragraph .0204 of subsection .020 of this section. The burden shall be on the owner to establish the need and grounds for the hardship extension and to establish the reasonableness of the requested duration of the extension. Any hardship that is based upon actions or expenditures not reasonably taken or incurred in light of the circumstances shall not be grounds for an extension. Any expenses for modifications or improvements to the short-term rental property incurred after August 11, 2016 shall be presumed not to be reasonably incurred unless proven that they were reasonably necessary to operate the short-term rental in a way that would ultimately reduce the duration of the extension otherwise necessary, because the modifications or improvements will allow for quicker recoupment of the owner's qualifying costs. If there is a sale of the short-term rental property after August 11, 2016, the costs to be considered for purposes of a hardship extension shall be those of the owner prior to August 11, 2016, and the new owner's purchase price and costs shall not be a basis of qualifying for a hardship extension.

.0206. Upon the termination of the amortization period, including any hardship extension, the pre-moratorium short-term rental use shall cease immediately. Thereafter, the owner's property may be used as a long-term residence, a long-term residential rental, or for any other lawfully permitted or conditionally permitted use in the zone. (Ord. 6375 § 1; July 12, 2016.)

Santa Monica Municipal Code

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Article 6 BUSINESS, PROFESSIONS AND TRADES

Chapter 6.20 HOME-SHARING AND VACATION RENTALS**6.20.010 Definitions.**

For purposes of this Chapter, the following words or phrases shall have the following meanings:

- (a) **Home-Sharing.** An activity whereby the residents host visitors in their homes, for compensation, for periods of thirty consecutive days or less, while at least one of the dwelling unit's primary residents lives on-site, in the dwelling unit, throughout the visitors' stay.
- (b) **Hosting Platform.** A marketplace in whatever form or format which facilitates the home-sharing or vacation rental, through advertising, match-making or any other means, using any medium of facilitation, and from which the operator of the hosting platform derives revenues, including booking fees or advertising revenues, from providing or maintaining the marketplace.
- (c) **Vacation Rental.** Rental of any dwelling unit, in whole or in part, within the City of Santa Monica, to any person(s) for exclusive transient use of thirty consecutive days or less, whereby the unit is only approved for permanent residential occupancy and not approved for transient occupancy or home-sharing as authorized by this Chapter. Rental of units within City approved hotels, motels and bed and breakfasts shall not be considered vacation rental. (Added by Ord. No. 2484CCS § 1, adopted 5/12/15)

6.20.020 Home-sharing authorization.

- (a) Notwithstanding any provision of this Code to the contrary, home-sharing shall be authorized in the City, provided that the home-sharing host complies with each of the following requirements:
- (1) Obtains and maintains at all times a City business license authorizing home-sharing activity.
 - (2) Operates the home-sharing activity in compliance with all business license permit conditions, which may be imposed by the City to effectuate the purpose of this Chapter.
 - (3) Collects and remits Transient Occupancy Tax ("TOT"), in coordination with any hosting platform if utilized, to the City and complies with all City TOT requirements as set forth in Chapter 6.68 of this Code.
 - (4) Takes responsibility for and actively prevents any nuisance activities that may take place as a result of home-sharing activities.
 - (5) Complies with all applicable laws, including all health, safety, building, fire protection, and rent control laws.
 - (6) Complies with the regulations promulgated pursuant to this Chapter.
- (b) If any provision of this Chapter conflicts with any provision of the Zoning Ordinance codified in Article IX of this Code, the terms of this Chapter shall prevail. (Added by Ord. No. 2484CCS § 1, adopted 5/12/15)

6.20.030 Prohibitions.

No person, including any hosting platform operator, shall undertake, maintain, authorize, aid, facilitate or advertise any home-sharing activity that does not comply with Section 6.20.020 of this Code or any vacation rental activity. (Added by Ord. No. 2484CCS § 1, adopted 5/12/15)

6.20.050 Hosting platform responsibilities.

The operator/owner of any hosting platform shall:

(a) Be responsible for collecting all applicable TOTs and remitting the same to the City. The hosting platform shall be considered an agent of the host for purposes of TOT collections and remittance responsibilities as set forth in Chapter 6.68 of this Code.

(b) Disclose to the City on a regular basis each home-sharing and vacation rental listing located in the City, the names of the persons responsible for each such listing, the address of each such listing, the length of stay for each such listing and the price paid for each stay. (Added by Ord. No. 2484CCS § 1, adopted 5/12/15)

6.20.080 Regulations.

The City Manager or his or her designee may promulgate regulations, which may include, but are not limited to, permit conditions, reporting requirements, inspection frequencies, enforcement procedures, advertising restrictions, disclosure requirements, or insurance requirements, to implement the provisions of this Chapter. No person shall fail to comply with any such regulation. (Added by Ord. No. 2484CCS § 1, adopted 5/12/15)

6.20.090 Fees.

The City Council may establish and set by resolution all fees and charges as may be necessary to effectuate the purpose of this Chapter. (Added by Ord. No. 2484CCS § 1, adopted 5/12/15)

6.20.100 Enforcement.

(a) Any person violating any provision of this Chapter shall be guilty of an infraction, which shall be punishable by a fine not exceeding two hundred fifty dollars, or a misdemeanor, which shall be punishable by a fine not exceeding five hundred dollars, or by imprisonment in the County Jail for a period not exceeding six months or by both such fine and imprisonment.

(b) Any person convicted of violating any provision of this Chapter in a criminal case or found to be in violation of this Chapter in a civil case brought by a law enforcement agency shall be ordered to reimburse the City and other participating law enforcement agencies their full investigative costs, pay all back TOTs, and remit all illegally obtained rental revenue to the City so that it may be returned to the home-sharing visitors or used to compensate victims of illegal short term rental activities.

(c) Any person who violates any provision of this Chapter shall be subject to administrative fines and administrative penalties pursuant to Chapter 1.09 and Chapter 1.10 of this Code.

(d) Any interested person may seek an injunction or other relief to prevent or remedy violations of this Chapter. The prevailing party in such an action shall be entitled to recover reasonable costs and attorney's fees.

(e) The remedies provided in this Section are not exclusive, and nothing in this Section shall preclude the use or application of any other remedies, penalties or procedures established by law. (Added by Ord. No. 2484CCS § 1, adopted 5/12/15)

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**Chapter 13.10
ZONING REGULATIONS**

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- (4) **Traffic.** Unless found to be unnecessary due to ample drop-off and pick-up areas, a plan for staggering drop-off and pick-up times to minimize traffic shall be submitted and reviewed as part of the application. An operational condition shall require implementation of this traffic control plan.
- (5) **Agricultural Buffers.** Large family child care homes that are located adjacent to agriculturally zoned land (CA, A, AP) shall meet all the requirements of ~~SCCC 16.50.095~~ pertaining to agricultural buffer setbacks.
- (6) **Other Conditions.** Other conditions deemed appropriate by the approving body may be applied to the development permit of a large family child care home to further the purposes of this section. [Ord. 5182 § 11, 2014; Ord. 4883 § 2, 2007; Ord. 4814 § 6, 2006].

Article VIII. Visitor Accommodations/Recreational Uses

13.10.691 Bed and breakfast inns.

- (A) A bed and breakfast inn offering one or more rooms (up to a maximum of five) for rent may be operated if the use is allowed in the applicable zone district and the required Level IV use approval is obtained.
- (B) The following guidelines for bed and breakfast inns and any additional conditions deemed applicable, shall be made a part of the permit.
- (1) All Uniform Building Code and Fire Code requirements for the level of occupancy shall be met.
 - (2) All Environmental Health regulations shall be met, including water supply and septic system capacity. If applicable, as follows:
 - (a) When a private water supply serves the premises, the operator will be required to obtain a bacteriological analysis of the water by an approved laboratory to demonstrate that the water is safe to drink.
 - (b) Individual sewage disposal systems will be evaluated to determine if the system is adequate for the increased loading. A fee is required for this service.
 - (3) In sewerred areas, all applicable sanitation district fees shall be paid.
 - (4) One off-street parking space shall be provided for each commercial guest room, in addition to the spaces normally required for the dwelling.
 - (5) One unlighted sign with a maximum size of six square feet may be displayed. The words "hotel" or "motel" shall not be allowed. The sign's size, color, text, and location shall be as specified under this use approval, as per the attached drawing.
 - (6) At least one toilet, lavatory, and shower or bathtub shall be provided for each 10 guests. Where a multiple storied building is utilized, there must be a toilet, lavatory, and shower or bathtub on each floor.
 - (7) Adequate storage for clean and dirty linen shall be provided.
 - (8) Appropriate space and ventilation for each room shall be provided. Minimum space is 70 square feet per bedroom for two persons, 50 square feet for each additional person.
- (C) The bed and breakfast inn shall be registered with the County Tax Collector as being subject to the transient occupancy tax, and the use approval for a bed and breakfast inn shall become effective when the applicant obtains a transient occupancy permit from the County Tax Collector. Quarterly reports shall be filed and taxes paid as required by law.
- (D) An annual bed and breakfast inn health permit shall be obtained.
- (E) Operation of the bed and breakfast inn shall be subject to the following continuing requirements:
- (1) The operator shall reside in the inn.
 - (2) Guest stays shall be limited to 30 days.
 - (3) No cooking shall be allowed in guest rooms.
 - (4) Food service shall be limited to a continental type breakfast consisting of food items such as coffee, tea, juice, fruit, and nonpotentially hazardous pastries served exclusively to lodgers. An operation extending beyond this limitation shall be construed to be a guesthouse or boarding house, and shall be subject to the requirements of the California Restaurant Act.
- (F) Different or additional restrictions, including but not limited to restrictions on parking, sign area or placement, hours of meals service, and sale of nonalcoholic beverages, may be placed on any bed and breakfast use to meet specific concerns. [Ord. 3632 § 20, 1985; Ord.

3432 § 1, 1983].

13.10.692 Organized camps and conference centers.

(A) **Purposes.** The purposes of the special use regulations for organized camps and conference centers are as follows:

- (1) To foster the commercial use of the scenic and recreational values in the County, while the County benefits from the preservation of scenic elements, revenue from the visitors of the camps, and assistance in fire protection.
- (2) To maximize preservation of the environment and the amenities of a site by allowing flexible development procedures while controlling density, access, and impacts on neighboring properties.

(B) **Description of Uses.** The following organized camp and conference center uses and facilities may be established as part of a Level VI development permit approval:

- (1) Indoor facilities such as: kitchens, dining rooms, laundries, administrative offices, maintenance buildings, meeting halls, restroom and shower facilities, gymnasiums and other indoor recreation facilities.
- (2) Visitor accommodations facilities subject to the density requirements contained in the PR Zone District, SCCC 13.10.353(B).
- (3) Educational facilities, including residential and day schools, at densities as specified in the PR District, SCCC 13.10.353(B); this density is instead of an equivalent amount of visitor accommodations and/or living units, not in addition to.
- (4) Outdoor facilities such as parking areas, playgrounds, athletic fields, picnic areas, and swimming, riding, and boating facilities.
- (5) Permitted and discretionary uses in the CA Zone District, SCCC 13.10.312.
- (6) Appurtenant, accessory facilities for participants only, such as: studios, libraries, museums, dispensaries, camp stores.

(C) **Accessory Uses.** The following organized camp and conference center accessory uses and facilities may be added by a Level V approval to an organized camp development permit previously approved at Level VI:

- (1) Facilities for drainage and erosion control, sewerage, water supply, walkways, security and fire protection.
- (2) Signs, identification and directional, subject to the regulations for signs in the PR Zone District, SCCC 13.10.582.
- (3) Improvement or replacement of existing facilities with no increase in total capacity.
- (4) Permitted uses in the CA Zone District.

(D) **Operating and Development Standards.** In addition to the zone district development standards and the policies of the General Plan, the following special operating and development standards shall apply to organized camps and conference centers:

- (1) The minimum site area shall be not less than 20 acres unless pre-existing.
- (2) Yards along front, side, and rear property lines shall be a minimum of 30 feet.
- (3) Building height shall not exceed 25 feet.
- (4) All structures shall conform to the Uniform Building Code.
- (5) The facility shall meet all regulations and requirements of the Environmental Health Division of the County Health Services Agency.
- (6) The facility and property shall conform to all requirements of the appropriate fire district. [Ord. 3432 § 1, 1983].

13.10.693 Time-share uses.

Time-share uses are prohibited in the unincorporated area of the County of Santa Cruz unless and until standards are established requiring provision of adequate infrastructure or in lieu fees therefor to mitigate the impacts of time-share uses. Notwithstanding the foregoing, approval of permit renewal (time extension) may be granted pursuant to SCCC 13.10.133 as to any development permit for time-share uses issued prior to October 23, 1986; provided, that such approval shall be subject to the conditions that the applicant for time extension agrees in writing that the County of Santa Cruz has the legal authority to impose a reasonable infrastructure fee as a condition of approval of permit renewal (time extension). [Ord. 3803 § 1, 1986; Ord. 3632 § 21, 1985].

13.10.694 Vacation rentals.

(A) The purpose of this section is to establish regulations applicable to dwellings that are rented as vacation rentals for periods of not more than 30 days at a time. These regulations are in addition to all other provisions of this title. This section does not apply to Pajaro Dunes where vacation rentals are governed by an existing development permit. A vacation rental means the entire dwelling unit and does not include the renting of individual rooms in a dwelling unit. The owner/operator/contact person/agent does not live in the dwelling unit while it is rented for use as a vacation rental and only the renter of the vacation rental dwelling and guests of the renter live in the dwelling unit while it is rented for use as a vacation rental. Where there are multiple dwelling units on a site, the owner/operator/contact person/agent may live in one of the dwellings that is not being rented as a vacation rental.

(B) Vacation rentals are allowed in all zone districts that allow residential use with no requirement for any other use, except that any vacation rental meeting the requirements of subsections (C)(1) and (D)(1) of this section may be permitted in any zone district.

(C) For the purposes of this section, the following terms have the stated meanings:

(1) "Existing vacation rental" means a dwelling unit that was used as a vacation rental prior to April 5, 2011, and for which a vacation rental permit application was made on or before November 28, 2011, and for which a vacation rental permit was granted based on an application submitted on or before November 28, 2011.

(2) "New vacation rental" means a dwelling unit that was not used as a vacation rental prior to April 5, 2011, or for which a vacation rental permit application was not made on or before November 29, 2011, or for which a vacation rental permit has not been granted.

(3) The "Live Oak Designated Area" means the Yacht Harbor Special Community (as described in the General Plan—Local Coastal Program and depicted on the General Plan—Local Coastal Program map) and that portion of Live Oak that lies east and south of East Cliff Drive and Portola Drive from the intersection of 9th Avenue and East Cliff Drive to the intersection of Portola Drive and 41st Avenue, as depicted in Figure LODA, attached to the ordinance codified in this section.

(4) The "Sea Cliff/Aptos Designated Area" means that portion of the Aptos Planning Area bounded on the west by the Capitola city limit, on the north by Highway One, and on the east and southeast by Bonita Drive, San Andreas Road, and the Urban Services Line from San Andreas Road to Monterey Bay, as depicted in Figure SADA, attached to the ordinance codified in this section.

(5) "Block" means the properties abutting both sides of a street extending from one intersecting street to another or to the terminus of the street.

(D) Permit Requirements. A vacation rental permit and transient occupancy tax registration are required for each residential vacation rental. Each vacation rental permit shall remain valid as long as the vacation rental operates at least three out of any consecutive five years, except that each vacation rental permit issued for a vacation rental located in the Live Oak Designated Area and the Sea Cliff/Aptos Designated Area shall expire five years from the date of issuance of the original permit or as otherwise provided in subsection (D)(3) of this section. If an application for renewal has been submitted and is deemed complete prior to the expiration date, the expiration of the permit will be stayed until final action on the renewal application. No application for renewal of a vacation rental permit shall be accepted more than 180 days before the expiration date. The Planning Director may approve extensions of permit expiration dates or application submittal dates based on demonstrated hardship to the applicant or for other good cause. Approval of a vacation rental permit does not legalize any nonpermitted use or structure. Vacation rental permits are subject to revocation as provided for in SCCC 18.10.136.

(1) Existing Vacation Rental. An initial permit shall be obtained. No public hearing shall be required and no notice of an application for a permit for an existing vacation rental shall be given. For an existing vacation rental to be considered a legal use the applicant shall provide the following to the Planning Department within 90 days, and not later than November 28, 2011, after the certification of the original vacation ordinance (Ordinance No. 5092) codified in this chapter by the California Coastal Commission:

(a) Completed application form.

(b) Plans, which do not need to be drawn by a professional, drawn to scale including the following:

(i) Plot plan showing location of all property lines, location of all existing buildings, and location of dimensioned on-site parking spaces.

(ii) Floor plan showing all rooms with each room labeled as to room type.

(c) Nonrefundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this chapter.

(d) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (two/bedroom plus two, children under 12 not counted; for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., the maximum number of people allowed is twice the maximum number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional that will be considered to use on-site parking in

the vicinity, but will not have any exclusive use of on-street parking); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only).

(e) Proof that a dwelling unit was being used as a vacation rental prior to April 5, 2011. Such proof may consist of, among other things, the following items:

(i) Documentation that the owner paid County of Santa Cruz transient occupancy tax for the use of the vacation rental; or

(ii) Documentation that there has been vacation rental use of the unit. This could include the following: the owner allowed transient guests to occupy the subject property in exchange for compensation and the applicant furnishes reliable information, including but not limited to records of occupancy and tax documents, guest reservation lists, and receipts, showing payment and dates of stay.

(f) **Retroactive Payment of Transient Occupancy Tax.** For those applicants who provide adequate documentation that a dwelling unit was used as a vacation rental prior to April 5, 2011, but where the owner has not registered and paid transient occupancy tax, proof of retroactive payment of the transient occupancy tax amount due to the County to the extent allowed by law for the time during which a dwelling unit was being used as a vacation rental shall be submitted.

(g) **Number of People Allowed.** The maximum number of guests allowed in an existing individual residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., when the maximum number of people allowed is twice the maximum number of guests allowed. Children under 12 are not counted toward the maximums.

(2) **New Vacation Rental.** Except as provided in SCCC 18.10.124(B), no public hearing shall be required and action on these applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance of the permit, pursuant to SCCC 18.10.222(B) and (C). Appeals of the proposed action on the application may be made by the applicant or any member of the public. Pursuant to SCCC 18.10.124(B), the Planning Director may refer the application to the Zoning Administrator or Planning Commission for a public hearing.

(a) When a public hearing is required, notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to SCCC 18.10.223.

(b) In the Live Oak Designated Area and the Seacliff/Aptos Designated Area, no new vacation rental shall be approved if parcels with permitted vacation rentals on the same block total 20 percent or more of the total parcels on that block that allow residential use, excluding those parcels in the Mobile Home Park Combining Zone District; except that in the following areas the percentage of parcels that may have vacation rentals is not limited: Pot Belly Beach Road; Las Olas Drive; those residentially zoned parcels in the Rio Del Mar flats consisting of parcels fronting on Stephen Road, Marina Avenue, and Venetian Road between its intersection with the Esplanade and Aptos Beach Drive to its intersection with Lake Court and Stephen Road; those parcels fronting on or gaining access from Cliff Court or fronting on or gaining access from Rio Del Mar Boulevard between its intersection with Aptos Beach Drive and Beach Drive to its intersection with Kingsbury Drive, Cliff Drive, and Beach Villa Lane; Beach Drive; and Via Gaviota. In addition, no more than 15 percent of all of the parcels that allow residential use in the Live Oak Designated Area and the Seacliff/Aptos Designated Area, excluding those parcels in the Mobile Home Park Combining Zone District, may contain vacation rentals. Notwithstanding these maximums, each block in the Live Oak Designated Area and the Seacliff/Aptos Designated Area that has parcels that allow residential use, excluding those parcels in the Mobile Home Park Combining Zone District, may have at least one vacation rental.

(c) Applicants for a permit for a new vacation rental shall provide the following to the Planning Department:

(i) Completed application form.

(ii) Nonrefundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) Plans, which do not need to be drawn by a professional, drawn to scale including the following:

A. Plot plan showing location of all property lines, location of all existing buildings, and location of dimensioned on-site parking spaces.

B. Floor plan showing all rooms with each room labeled as to room type.

(iv) Copy of a rental/lease agreement, which shall include, but not necessarily be limited to, the following: number of guests allowed (two/bedroom plus two, children under 12 not counted; for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., the maximum number of people allowed is twice the maximum number of guests allowed); number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional that will be considered to use on-street parking in the vicinity, but will not have any exclusive use of on-street parking); noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only).

(v) Copy of a County of Santa Cruz transient occupancy registration certificate for the purpose of the operation of a vacation rental.

(vi) No new vacation rental use may be permitted in a dwelling unit having a common wall or walls with another dwelling unit or units after the effective date of this ordinance amending the original vacation rental ordinance (Ordinance No. 5092), unless at the time of submission of the application the applicant provides a written agreement acceptable to the County and signed by all record owner(s) of the adjoining dwelling unit(s) stating that they are aware of the proposed vacation rental use and have no objection to issuance of a permit for such use. The agreement shall be binding on the parties thereto and their successors in interest for so long as the vacation rental permit for which the agreement was submitted, if issued, remains valid, and each party shall be responsible to inform its own successor(s) in interest in the unit of the agreement as part of the sale or transfer of the unit to such successor(s).

(d) Number of People Allowed. The maximum number of guests allowed in a new residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., when the maximum number of people allowed is twice the maximum number of guests allowed. Children under 12 are not counted toward the maximums.

(3) Renewal of Vacation Rental Permits in the Live Oak Designated Area and the Seacliff/Aptos Designated Area. In the Live Oak Designated Area and the Seacliff/Aptos Designated Area only, vacation rental permits must be renewed every five years. Beginning on the effective date of the establishment of the Seacliff/Aptos Designated Area, those vacation rental permits issued before that effective date for property in the Seacliff/Aptos Designated Area shall be limited to a term of five years from that effective date and application to renew the vacation rental permit must be made in accordance with the provisions of this section. An application to renew a permit for a vacation rental in the Live Oak Designated Area and the Seacliff/Aptos Designated Area shall be made no sooner than 180 days before expiration of the existing permit. It is the intention of the County of Santa Cruz that there is a presumption that an application for renewal of a vacation rental permit will be approved. Determination that the application is complete shall stay the expiration of the existing permit until final action is taken on the renewal application. Except as provided in SCCC 18.10.124(B), no public hearing shall be required and action on permit renewal applications shall be by the Planning Director or designee, with notice of the proposed action provided not less than 10 calendar days before issuance or denial of the permit, pursuant to SCCC 18.10.222(B) and (C). Appeals of the proposed action on the renewal application may be made by the applicant or any member of the public.

(a) If a public hearing is required, the Planning Director shall schedule the public hearing before either the Zoning Administrator or the Planning Commission, at the Planning Director's discretion. Notice of such a public hearing shall be provided not less than 10 calendar days before the public hearing, pursuant to SCCC 18.10.223.

(b) Applicants for renewal of a permit for a vacation rental in the Live Oak Designated Area and the Seacliff/Aptos Designated Area shall provide the following to the Planning Department:

(i) Completed application form.

(ii) Nonrefundable application fee as established by the Board of Supervisors, but no greater than necessary to defray the cost incurred by the County in administering the provisions of this chapter, except that if the application requires a public hearing due to referral of the application to the Zoning Administrator or Planning Commission, then the application will be converted to an "at cost" application and the applicant will be billed for staff time associated with processing the application.

(iii) Proof of payment of transient occupancy tax for the use of the dwelling as a vacation rental and a summary of the dates the unit was used as a vacation rental between the time of issuance of the existing permit and the date of application for the renewal. Renewal applications must show significant rental use of the unit for two of the previous five years.

(iv) A photograph of the sign installed on the parcel as required by the existing permit.

(c) Although the renewal process includes a staff review of County records and other pertinent information specific to complaints, if any, that have been received about the particular vacation rental, it is the intention of the County of Santa Cruz that there is a presumption that an application for renewal of a vacation rental permit will be approved. Approval of a vacation

rental renewal permit shall be based on affirmative findings as set forth in SCCC 18.10.230(A). Denial of an application for renewal shall be based on one or more of the required findings not being able to be made, as set forth in SCCC 18.10.230(A).

(4) **Expansion of Permitted Vacation Rental.** In addition to any other permits required for a proposal to expand the square footage of a permitted vacation rental structure by an amount equal to or more than 50 percent or to increase the existing number of bedrooms by demolition or remodeling, an amendment to the permitted vacation rental permit in accordance with SCCC 18.10.134 shall be required. The amendment application shall include a photograph of the sign installed on the parcel as required by the permitted vacation rental permit. Based on development and site standards for the applicable zone district, the amendment may allow a greater intensity of use than that allowed by the existing permit or may be conditioned such that the vacation rental use not exceed that authorized by the existing permit.

(E) **Local Contact Person.** All vacation rentals shall designate a contact person within a 30-mile radius of the vacation rental. The contact person shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns. A property owner who lives within a 30-mile radius of the vacation rental may designate himself or herself as the local contact person.

The name, address, and telephone number(s) of the local contact person shall be submitted to the Planning Department, the local Sheriff Substation, the main County Sheriff's Office, and the local fire agency, and supplied to the property owners of all properties located within a 300-foot radius of the boundaries of the parcel on which the vacation rental is located. For all vacation rental permit applications, including applications for renewal and amendment, submitted after the effective date of this ordinance amending the original vacation rental ordinance (Ordinance No. 5092) contact information shall also be submitted to the Auditor-Controller-Treasurer-Tax Collector. Proof of mailing contact information to all of the above shall be submitted to the Planning Department within 30 days of permit approval, amendment, or renewal. The name, address and telephone number(s) of the local contact person shall be permanently posted in the rental unit in a prominent location(s). Any change in the local contact person's address or telephone number shall be promptly furnished to the agencies and neighboring property owners as specified in this subsection.

(F) **Signs.** All vacation rentals shall have a sign identifying the structure as a permitted vacation rental and listing a 24-hour local contact responsible for responding to complaints and providing general information, which shall be placed no more than 20 feet back from the nearest street. The sign may be of any shape, but may not exceed 216 square inches. There is no minimum sign size so long as the information on the sign is legible from the nearest street. A sign required by this subsection shall be continuously maintained while the dwelling is rented.

(G) **Posting of Rules.** Vacation rental rules shall be posted inside the vacation rental in a location readily visible to all guests. The rules shall include, but not necessarily be limited to, the following: number of guests allowed (two/bedroom plus two, children under 12 not counted; for celebrations and gatherings between 8:00 a.m. and 10:00 p.m., the maximum number of people allowed is twice the maximum number of guests allowed), number of vehicles allowed (not to exceed the number of existing on-site parking spaces, plus two additional that will be considered to use on-street parking in the vicinity, but will not have any exclusive use of on-street parking), noise, illegal behavior and disturbances, trash management (e.g., trash to be kept in covered containers only).

(H) **Noise.** All residential vacation rentals shall comply with the standards of Chapter 8.30 SCCC, Noise, and a copy of that chapter shall be posted inside the vacation rental in a location readily visible to all guests. No use of equipment requiring more than standard household electrical current at 110 or 220 volts or activities that produce noise, dust, odor, or vibration detrimental to occupants of adjoining dwellings is allowed.

(I) **Transient Occupancy Tax.** Each residential vacation rental owner shall meet the regulations and standards set forth in Chapter 4.24 SCCC, including any required payment of transient occupancy tax for each residential vacation rental unit.

(J) **Dispute Resolution.** By accepting a vacation rental permit, vacation rental owners agree to engage in dispute resolution and act in good faith to resolve disputes with neighbors arising from the use of a dwelling as a vacation rental. Unless an alternative dispute resolution entity is agreed to by all parties involved, dispute resolution shall be conducted through the Conflict Resolution Center of Santa Cruz County.

(K) **Violation.** It is unlawful for any person to use or allow the use of property in violation of the provisions of this section. The penalties for violation of this section are set forth in Chapter 19.01 SCCC, Enforcement of Land Use Regulations. If more than two documented, significant violations occur within any 12-month period a permit may be reviewed for possible amendment or revocation. Evidence of significant violations includes, but is not limited to, copies of citations, written warnings, or other documentation filed by law enforcement; copies of homeowner association warnings, reprimands, or other association actions; a permit holder providing false or misleading information on an application or renewal application; evidence of violations of State or County health regulations; evidence that a permit holder is delinquent in payment of transient occupancy taxes, fines, or penalties; evidence of non-responsive management or that appropriate signage has not been maintained in compliance with this section; verified neighbor complaints of noise or other disturbances; or other documents which substantiate allegations of significant violations. In the event a permit is revoked based upon a review under this

section, no application by the person or entity from whom the permit was revoked shall be filed for a vacation rental permit on the same parcel within two years after the date of revocation, without prior consent of the Board of Supervisors.

(L) It is unlawful to make a false report to the Sheriff's Office regarding activities associated with vacation rentals. [Ord. 5198 § 1, 2015; Ord. 5092 § 6, 2011].

13.10.695 Locational criteria for timber cutting and removal.

Repealed by Ord. 4873. [Ord. 4578 § 4, 1999; Ord. 4571 § 1, 1999].

Part VII. DEFINITIONS

13.10.700 Definitions.

For the purposes of this chapter certain terms used herein are defined as follows:

(A) All words in the present tense shall include the future tense. All words in the singular number shall include the plural number and all words in the plural number shall include the singular number, unless the natural construction of the wording indicates otherwise. The word "shall" is mandatory and not directory.

(B) All terms used in this chapter shall be as defined in the General Plan, including the Local Coastal Program Land Use Plan glossaries, except as noted in this chapter. [Ord. 3432 § 1, 1983].

13.10.700-A "A" definitions.

"A" means the Agricultural Zone District (SCCC 13.10.310).

"Abutting, adjoining, adjacent" means touching the subject parcel and not separated from the subject parcel by a road, street, or other property.

Accessory. See "Appurtenant use."

"Affected property" means any property whose buildings, fences, other structures or vegetation interfere with, or is likely in the future to interfere with, the solar access of the existing or proposed solar energy system.

"Affordable housing" means housing capable of purchase or rental by a person with average or below average income, as determined periodically by the U.S. Department of Housing and Urban Development based on the median household income for Santa Cruz County.

"Agricultural caretakers' mobile home" means a travel trailer or mobile home maintained as temporary living quarters for persons employed principally for security needs and/or farming and related activities on the parcel on which the unit is located. This use is an accessory use to the main dwelling on the property or in place of the main dwelling.

"Agricultural custom work occupations" means an agricultural support service for hire which is conducted as a secondary or incidental use on a parcel where agriculture is the primary use such as fumigation services, land leveling, irrigation contracting and farm equipment repair.

"Agricultural lands, Types 1, 2, and 3" means agricultural land type designations applied pursuant to a County classified system as established in Chapter 16.50 SCCC (SCCC 16.50.030 and 16.50.040).

"Agricultural Policy Advisory Commission" means an advisory commission created pursuant to Chapter 16.50 SCCC to advise the Board of Supervisors and Planning Commission on policy matters related to agricultural uses.

"Agricultural preserve" means a contract between a landowner and Santa Cruz County establishing that certain land will be used only for agricultural purposes for a minimum of 10 years. The 10-year period is renewed every year. In recognition of this land use restriction, the landowner may receive preferential taxation on that land.

"Agricultural service establishment" means a business engaged in activities designed to support agricultural production and marketing such as application of agricultural chemicals, grading and irrigation contracting, harvesting, hauling of produce or other agricultural products, and large scale off-site cold storage facilities. This service does not include manufacturing or processing.

"Agriculture" means the art or science of cultivating the ground, including the harvesting of crops and the rearing and management of livestock; tillage; husbandry; farming; horticulture.

"Air strip" means a landing strip for private planes of the property owner, employee, or guest; a noncommercial landing strip.

"Alley" means a passage or way open to public travel permanently reserved primarily for vehicular service access to the rear or side of properties otherwise abutting on a street.

CITY COUNCIL
UNFINISHED BUSINESS

JULY 18, 2016

SUBJECT: **SIX MONTH UPDATE TO CITY COUNCIL ON THE SHORT TERM RENTAL BAN**

INITIATED BY: **DEPARTMENT OF PUBLIC WORKS**
Oscar Delgado, Public Works Director
Jeffery Aubel, Code Compliance Manager
Daniel Mick, Code Compliance Supervisor

STATEMENT ON THE SUBJECT:

The West Hollywood City Council will receive an update on the Short Term Rental ban and provide additional direction to staff as to how to proceed in the future.

RECOMMENDATIONS:

- 1) Receive and file the report
- 2) Provide additional direction to Staff as needed.

BACKGROUND / ANALYSIS:

In 2014, the Shared Economy Task Force was convened with the purpose of assisting in the review of policies and impacts regarding Shared Economy businesses within West Hollywood. These businesses include short term vacation rentals and shared ride services. Task Force meetings were held at the state and local levels throughout 2014 and 2015. On July 20, 2015, an ordinance was presented to and adopted by the West Hollywood City Council which clarified the existing prohibition on short term vacation rentals. The ordinance went into effect on October 21, 2015.

WHMC 19.36.331 prohibits the renting of any residence, or part of residence, for any period of time less than 31 days. Additionally, the ordinance prohibits the advertising the rental of any residence or portion thereof for a period of less than 31 days.

Scope of Problem

It is very difficult to ascertain exactly how many Short Term Rentals (STRs) are available in West Hollywood. There are many websites that participate in this activity, and the list grows larger every day. However, a simple search of AirBnB, using West Hollywood as the location, results in over 300 listings. According to

www.insideairbnb.com, there are 659 listings in the City¹ as of the writing of this report. Similarly, on Flipkey, there are hundreds of listings. With the irregular borders of West Hollywood, it is very challenging to search maps on the websites to get an accurate count of how many STRs exist at any one time. Due to the desirability of being associated with our City, many listings that say they are located in West Hollywood are actually in LA or BH.

According to the insideairbnb.com data, 230 listings are for shared or private rooms. This is approximately 35% of the units advertised. The rest are for entire homes or apartments. Of the approximately 25,000 residential units in the City, approximately 1.7% of them are listed on AirBnB for whole unit availability.

Enforcement

To date, 158 complaints about short term vacation rentals have been filed through PublicStuff, the City's mobile app provider. Other complaints have been filed in person or via other method of communication, but an accurate count is difficult to ascertain. 170 Code Compliance cases have been opened and all of these properties have received a written letter. 28 of these cases have been closed as the owners have either removed the advertisements or have brought them into compliance. 17 citations have been issued to property owners for continued non-compliance with the code.

When the ordinance went into effect, the direction provided was that Code Compliance would open cases on a reactive basis, in response to complaints received by the public. Recently, however, due to the feedback that has been received, Code Compliance has begun being more proactive in the enforcement on the ban on STRs.

Enforcement Process

The enforcement process begins with the filing of a concern. Residents call, email, use the City's mobile app, or visit in-person to report a neighbor unlawfully conducting STRs. Ideally, the concern includes a link to the advertisement for the rental. However, in practice, a minority of complaints received include this information.

Once the complaint is received, Code Compliance sends a letter to the property owner and tenant informing them of the alleged violation, the requirements of the code, and allowing them sufficient time to comply. Code also begins searching through online listings looking for an ad that substantiates the complaint.

¹<http://insideairbnb.com/los-angeles/index.html?neighbourhood=West%20Hollywood&filterEntireHomes=false&filterHighlyAvailable=false&filterRecentReviews=false&filterMultiListings=false>, Accessed June 21, 2016

When the initial compliance time has passed, Code Compliance checks to see if the online listing, assuming one was found, is still active and contains information in violation of the law. If the ad was changed to reflect the law's requirements, or if the ad was removed, then the case is closed. If the ad is still in violation, Code Compliance begins the citation process.

In finding ads for STRs, Code Compliance uses a wide variety of tools. Some websites are very open about the location of the listing while others, like AirBnB, are not. Insideairbnb.com has proven to be very useful. This site scrapes data from airbnb.com and compiles the information behind the website into a very useable spreadsheet. With this information, Code Compliance has had good success with matching a particular ad to a specific location and often can easily figure out who the violating host is. This tool is only available for AirBnB.com and is updated relatively infrequently. We are actively looking for similar tools or companies that offer this service for other websites.

Prior to beginning the citation process, Code Compliance must be able to match an ad with a location and tie it to a specific person. This is not always an easy process. Code uses whatever tools it legally can in order to find the right information. It is not uncommon for Code Compliance to spend more than an hour, sometimes two, on a single listing to find the necessary information to begin the citation process. This does not take into account the time spent on the paperwork and follow up on these cases. With over 600 listings in the City, this is a big project. Below are some of the resources we use to identify violators.

- Insideairbnb.com
- LA County Assessors
- Rent Stabilization, Parking, and Building files
- Social media
- Google, Google maps, Google image search
- Real estate listings (Redfin, Zillow, etc.)

Code Compliance does not just issue citations to violators of the STR ban. We also work with other divisions that can assist us in bringing these properties into compliance. If an advertisement says parking passes are included in the rental, Code works with the Parking Division, who informs the permit holders that the continued use of parking passes in violation of the law may result in the revocation or suspension of parking pass privileges. Code Compliance also works with Planning and Building & Safety if it is discovered that unpermitted alterations had taken place.

Questions

As the Short Term Vacation Rental Ordinance was being written, several questions were raised by Staff and members of the public. The question as to whether or not STRs should be allowed during holidays and special events was posed. Code Compliance does not recommend allowing exceptions to the ban based on holidays and special events. This may present enforcement challenges. City Staff receive numerous complaints during large special events like Pride and Halloween about the noise and traffic impacts that are experienced in the residential neighborhoods. Allowing houses and apartments to be used as STRs during these celebrations may lead to even greater noise and traffic impacts as it is foreseeable that these units will be used for large parties and gatherings. Allowing their use during holidays also presents the challenge of deciding which holidays. West Hollywood is an exceptionally diverse community comprised of people from a wide variety of backgrounds and faiths. Carving out religious or cultural holiday exceptions to the ban on STRs may open up a Pandora's Box that may be difficult to limit or close.

Another question that was raised was whether or not to allow the renting of a room in someone's home. The argument for this was it would allow someone to supplement their income and allow them to more easily afford the rents, especially for individuals that are low-income, sick or disabled, or have recently experienced a financial hardship. There are potential regulatory and enforcement questions that would need to be fully vetted if the City Council wanted to pivot to this position.

Issues

Staff has received a lot of feedback regarding the ordinance and its enforcement. One issue that has been brought up is that the fines are not high enough to serve as a true deterrent, especially to those that are renting entire houses for \$500.00 or more per night. Currently, there is one listing in West Hollywood for \$2,000.00 per night. Currently, fines are \$250.00 for the first violation, \$450.00 for the second, and \$850.00 for the third. Fourth and subsequent violations are prosecuted as misdemeanors. Staff agrees with the criticism that these fines are too low to serve as an effective deterrent for some violators. However, raising the fines may not be the right answer. The burden will still be felt in a disparate manner by violators. A fine of \$500.00 will be far more impactful on someone who is renting out a room for \$60.00 per night to help them afford rent than it will on someone who rents out an entire house for \$700.00 per night.

After some consideration, Staff recommended, and Council adopted an entirely new fee structure. Rather than make the fines a flat dollar amount, the fines will now be a flat percentage of the advertised rate. The first citation is 200% of the advertised rate, the second is 300%, and the third is 400%. Subsequent violations are still prosecuted as misdemeanors. This new fee structure has several benefits. First, the fine received would be commensurate with the benefit received. According to AirBnB.com, as of the

writing of this report, the average rate for STRs in West Hollywood is approximately \$140.00 per night. This means that the average first citation would be \$330.00 (200% of advertised rate plus \$50.00 administrative fee) which is still higher than the first citation is under the current fine structure. However, for someone that is struggling to pay rent due to an unforeseen economic hardship and decides to gamble and rent a room for \$60.00 per night, the fine would only be \$170.00. It is believed that this fine would still serve as a sufficient deterrent from future violations, but not be so onerous that they run the risk of losing their housing.

The biggest impact would be on those that rent entire houses or apartments for several hundred dollars per night. Under the old fine structure, at \$250.00, a violator that receives a citation may view this as a cost of doing business as there is likely quite a lot of profit derived from their illicit activities. However, under the new proposed structure, a \$500.00 per night advertisement would lead to a \$1050.00 citation which would definitely have an impact on their bottom line. The violator cannot just raise the nightly rate to help cover the cost of the citation as that would also raise the fine amount. This new fee structure may help deter surge pricing during those times when there is expected to be higher demand for STRs.

To safeguard against instances when STR advertisements are found without an advertised rate, Council adopted a two-tiered fine schedule. The first tier is for ads with rates which would follow the process described above. The second tier is for ads without rates. In this instance, the fine would be \$500.00 for the first violation, \$1000.00 for the second, and \$1500.00 for the third. Creating this type of two-tiered fee structure would help Code Compliance continue to enforce this ban even if the violators stopped publishing their rates.

Another concern that has been voiced about the enforcement of the STR ban is that even when a complaint is filed, nothing happens. There are a variety of reasons why it may be perceived to be this way. First, the concern filed with the City may not contain enough information to allow staff to properly follow up. In order to effectively enforce the ban on STRs, Code Compliance must be able to clearly show that the activity is taking place. Code Compliance is often provided stories of STRs, but nothing definitive.

Online ads are often provided, but they often lack an address or photos of the outside of the building that would allow Code to show a clear link between that ad and the property in question. Generally, most ads contain photos of the interior of the unit and the backyard. Interior photos rarely help us unless there is an identifying feature that we can match to the exterior. Photos of backyards only help when there is a pool or some other easily identifiable feature. Google Maps is a great assistance in matching backyards to advertisements. City staff exercises extreme caution in making sure that we are not violating anyone's right to privacy while investigating. This is the reason why

interior photos rarely help us in investigations and why the public often believes the City is not responsive to their complaints.

Even without positive proof that banned activities are taking place, Code Compliance sends a letter to the tenant/ property owner informing them that a complaint was filed, what the code requires, and a deadline to correct the issue. While many letters go unanswered, Code has had success in getting some owners and tenants to comply.

Another reason why some believe that the City is not responsive to reports of STRs is due to staffing. Currently, all STR cases are currently assigned to a single officer. This was done in order to help get the new program up and running while being able to streamline City practices. This is much more difficult to do when multiple officers are doing the same job in multiple ways. Initially, Code Compliance was given the direction to be reactive to complaints. As this problem has seemingly become more pervasive, Code is beginning to be more proactive for this issue. This involves looking for online ads from numerous websites, identifying those ads that do not meet the City's requirements and trying to pinpoint their locations so that the proper notices can be sent out. This process takes a significant amount of time.

One of the biggest problems that Code Compliance foresees is in the difficulty to collect detailed information in real time. As previously mentioned, insideairbnb.com has proven to be very helpful in enforcement. However, it is only relevant to AirBnB.com and cannot help us with Flipkey, Homeaway, VRBO, etc. Additionally, the data is often out of date. As of June 30, 2016, the information available is dated May 2, 2016. Many of the complaints received since May cannot be found using the scraped data. We are at the mercy of the creator in how often information relevant to the Greater Los Angeles area is updated.

Next Steps

- Dedicate more existing staff time to this issue and report back in 6 months?
- In lieu of issuing warnings, work with Communications to do a mass outreach campaign, including but not limited to mass mailings, newspaper postings, newsletter reminders, and website updates.
- Wait and see if state legislation will help?
- Allow for home sharing with registration?
- Amend ordinance to make owners responsible once notified of their tenant's activity?
- Amend ordinance to prohibit websites from advertising illegal rentals?
- Would allow the city to cite the websites as well
- Mandatory registry of all tenants in West Hollywood?

CONFORMANCE WITH VISION 2020 AND THE GOALS OF THE WEST HOLLYWOOD GENERAL PLAN:

This item is consistent with the Primary Strategic Goal(s) (PSG) and/or Ongoing Strategic Program(s) (OSP) of:

- PSG-2: Affordable Housing.
- OSP-1: Adaptability to Future Change.

In addition, this item is compliant with the following goal(s) of the West Hollywood General Plan:

- LU-8: Maintain and enhance residential neighborhoods.
- H-1: Provide affordable rental housing.

EVALUATION PROCESSES:

Not Applicable

ENVIRONMENTAL SUSTAINABILITY AND HEALTH:

Not Applicable

COMMUNITY ENGAGEMENT:

Not Applicable

OFFICE OF PRIMARY RESPONSIBILITY:

DEPARTMENT OF PUBLIC WORKS / CODE COMPLIANCE DIVISION

FISCAL IMPACT:

None

ATTACHMENTS:

None

The language below represents an amendment to the "lives on site" definition in the proposed ordinance to address the Planning Commission alternative consideration discussed in the staff report.

"Lives on site" means being physically present in the dwelling where home-sharing is conducted and engaging in activities of daily living, which include, but are not limited to, sleeping overnight, preparing or eating meals, bathing, washing, and dressing. In the case of a lot developed with two dwelling units, excluding an accessory dwelling unit, a host is deemed to live on site if he or she is the property owner and is physically present and engages in activities of daily living defined herein in at least one of the two dwellings on the lot, whether or not he or she is physically present in the dwelling the guest is occupying.