SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM: Supervisors Benoit and Washington

SUBMITTAL DATE: January 20, 2016

SUBJECT: Adoption of Ordinance No. 927 Regulating Short-Term Rentals, CEQA Exempt

RECOMMENDED MOTION: That the Board of Supervisors:

- Find that the adoption of Ordinance No. 927, attached hereto as Attachment A, is exempt from CEQA pursuant to Public Resources Code section 21080(b)(8) and CEQA Guidelines section 15273 because it entails the establishment, modification, structuring, restructuring of charges by public agencies that are not designed to increase services or expand a system and are designed to meet operating expenses;
- 2. Adopt Ordinance No. 927, an Ordinance of the County of Riverside Regulating Short-Term Rentals; and
- 3. Direct the Clerk of the Board to file the attached Notice of Exemption with the County Clerk for posting within five days of approval by the Board.

BACKGROUND:

APPROVED COUNTY COUNSI

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On January 12, 2015, the Board re-introduced Ordinance No. 927 Regulating Short-Term Rentals (Item 3-3), removing occupancy limits and making other minor changes. After considering public input, the Board requested the removal of the proposed parking restrictions. The final draft incorporates this change and is now before the Board for final approval. This action will finalize the ordinance.

(Continues on next page)

John J. Benoit Fourth District Supervisor

Chuck Washington, Third District Supervisor

Agenda Number: 3 - 5

Prev. Agn. Ref.: 3-3, 1/12/16; 3-28, 11/17/15 District: ALL

RE: Adoption of Ordinance 927 Regulating Short Term Rentals

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The purpose of this ordinance is to establish regulations for the use of privately owned residential dwellings as short-term rentals to minimize the negative secondary effects on surrounding properties and to ensure the collection and payment of transient occupancy taxes. Agenda item 3-3 from the January 12, 2016 Board of Supervisors' meeting provides further background information relating to Ordinance No. 927.

Impact on Citizens and Businesses

The impacts of the adoption of this ordinance have been evaluated by staff and the Board of Supervisors. The opportunity for public review and comment was provided during the November 17, 2015 and January 12, 2016 Board of Supervisors' meetings and any verbal or written testimony provided by the public was considered by the Board at that time. Today's action on the adoption of Ordinance No. 927 will finalize the Board's approval.

Attachments

- A. Ordinance No. 927 as revised and reintroduced
- B. Notice of Exemption

ORDINANCE NO. 927

AN ORDINANCE OF THE COUNTY OF RIVERSIDE

REGULATING SHORT TERM RENTALS

The Board of Supervisors of the County of Riverside ordains as follows:

Section 1. FINDINGS. The Board of Supervisors finds that there has been an increase in privately owned residential dwellings being used as short term rentals in the County of Riverside. While short term rentals provide a benefit to the County by expanding the number and type of lodging facilities, the alarming increase has caused adverse impacts to surrounding neighbors and properties including excessive noise, disorderly conduct, traffic congestion, illegal vehicle parking and accumulation of refuse. This ordinance is necessary to ensure neighborhood compatibility, to facilitate economic growth within the County and to protect the health, safety and general welfare of the County's residents.

Section 2. PURPOSE. The purpose of this ordinance is to establish regulations for the use of privately owned residential dwellings as short term rentals to minimize the negative secondary effects on surrounding properties and to ensure the collection and payment of transient occupancy taxes.

Section 3. AUTHORITY. In accordance with the California Constitution, Article XI, Section 7, a county may make and enforce within its limits all local, police, sanitary and other ordinances and regulations not in conflict with general laws.

Section 4. DEFINITIONS. As used in this ordinance, the following terms shall have the following meanings:

- A. <u>County</u>. The County of Riverside.
- B. <u>Good Neighbor Brochure</u>. A brochure, available from the County, to be given to guests, which includes a summary of the County's regulations relating to short term rentals.
- C. <u>Guest</u>. The overnight occupants renting the short term rental for a specified period and the daytime visitors of the overnight occupants.

- D. <u>Local Contact Person</u>. The person designated by the owner or the owner's authorized representative who shall be available twenty-four hours per day, seven days per week for the purpose of responding within sixty minutes to complaints related to the short term rental and taking remedial action to resolve such complaints.
- E. <u>Operator</u>. The owner or the owner's authorized representative who is responsible for compliance with this ordinance.
- F. Owner. The person or entity that holds legal or equitable title to the short term rental.
- G. Responsible Person. A guest of the short term rental who is at least eighteen years of age and who is legally responsible for ensuring that all guests of the short term rental comply with all applicable laws, rules and regulations pertaining to the use and occupancy of the short term rental.
- H. <u>Short Term Rental Certificate</u>. A certificate that allows the use of a privately owned residential dwelling as a short term rental pursuant to this ordinance.
- I. Short Term Rental. A privately owned residential dwelling, such as, but not limited to, a single family detached or multiple family attached dwelling, apartment house, condominium, cooperative apartment, duplex, mobile home on permanent foundations or a manufactured home on permanent foundations, or any portion of such dwellings, rented for occupancy for dwelling, lodging or sleeping purposes for any period less than thirty consecutive days.
- Section 5. APPLICABILITY. This ordinance applies to short term rentals as defined in Section 4. The following do not qualify as a privately owned residential dwelling as used herein, and therefore do not need to obtain a short term rental certificate: any hotel, motel, studio hotel, rooming house, dormitory, public or private club, bed and breakfast inn, cottage inn, or country inn; a camping

site, recreational vehicle, or park model; a hospital, sanitarium, medical clinic, convalescent home, rest home, home for aged people, foster home, halfway house, transitional housing facility, or other similar facility operated for the care, treatment, or reintegration into society of human beings; any asylum, jail, prison, orphanage or other facility in which human beings are detained and housed under legal restraint; any housing owned or controlled by an educational institution and used exclusively to house students, faculty or other employees with or without their families, any fraternity or sorority house or similar facility occupied exclusively by students and employees of such educational institutions and officially recognized and approved by it; any housing operated or used exclusively for religious, charitable or educational purposes; any housing owned by a governmental agency and used to house its employees or for governmental purposes; any camp as defined in the Labor Code or other housing furnished by an employer exclusively for employees or employees and their families; and any second unit. No guest quarters, as defined in Riverside County Ordinance No. 348 section 18.18, shall qualify as a short-term rental unless the privately owned residential dwelling on the lot is also being rented or leased as a short-term rental to the same renter or lessee.

Section 6. SHORT TERM RENTAL CERTIFICATE.

- A. In addition to any land use entitlement required by Riverside County Ordinance No. 348, the operator shall obtain a short term rental certificate pursuant to Sections 6 and 7 herein from the Riverside County Planning Department before renting or advertising for rent any short term rental.
- B. No short term rental certificate is required if a Temporary Outdoor Event permit has been obtained, for the duration of the Temporary Outdoor Event permit only.
- Section 7. SHORT TERM RENTAL CERTIFICATE REGISTRATION FEE AND APPLICATION.
 - A. An operator shall submit to the Planning Department a short term rental certificate application provided by the County along with a first-time

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registration fee of \$250. The short term rental certificate shall be valid for one year from the date of issuance.

- B. A short term rental certificate shall be renewed on an annual basis based on the anniversary of the original certificate issuance by submitting to the Planning Director a short term rental certificate application and a renewal registration fee of \$100.
- C. The short term rental certificate shall expire automatically when the short term rental changes ownership, and a new initial application and first-time registration fee will be required. A new application and first-time registration fee shall also be required for any short term rental that had its short term rental certificate revoked or suspended.
- D. The registration fees may be used to cover any County costs for administering or enforcing this ordinance, including the use of an outside management company retained for such purpose.

Section 8. SHORT TERM RENTAL OPERATIONAL REQUIREMENTS.

- A. The operator shall ensure that the short term rental is used in a manner that complies with all applicable laws, rules and regulations pertaining to the use and occupancy of a short term rental.
- B. The short term rental shall be occupied for not less than two (2) days and one (1) night.
- C. A short term rental shall not change the residential character of the outside appearance of the residence including color, material, lighting or any advertising mechanism.
- D. Guests of the short term rental shall comply with Riverside County Ordinance No. 847 Regulating Noise, including quiet hours between the hours of 10 PM and 7 AM.

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- E. The operator shall post the following information in a prominent location within the short term rental:
 - 1. Operator name and number;
 - 2. Local contact person name and number;
 - 3. The telephone number for the sheriff's department and for code enforcement;
 - 4. The maximum number of parking spaces available onsite;
 - 5. Trash pick-up day and applicable rules and regulations;
 - 6. A copy of Riverside County Ordinance Nos. 847 and 927;
 - 7. A copy of the good neighbor brochure; and
 - 8. Notification that a guest, local contact person, responsible person or owner may be cited or fined by the County in accordance with this ordinance and Riverside County Ordinance No. 725.
- F. While a short term rental is rented, the operator or local contact person shall be available twenty-four hours per day, seven days a week for the purpose of responding within sixty (60) minutes to complaints regarding the condition, operation or guests' conduct of the short term rental.
- G. Prior to occupancy of a short term rental, the operator shall do the following:
 - 1. Obtain the name, address and copy of a valid government identification of the responsible person;
 - 2. Provide a copy of the good neighbor brochure to the responsible person;
 - 3. Require the responsible person to execute a formal acknowledgement that he or she is legally responsible for compliance by all guests of the short term rental with all applicable

- laws, rules and regulations pertaining to the use and occupancy of the short term rental; and
- 4. Maintain the information required herein, including copies of the notices provided, for a period of three (3) years and make it available upon request by any officer of the County responsible for enforcement of any provision of this ordinance or any other applicable law, rule or regulation pertaining to the use and occupancy of the short term rental.
- H. The owner, operator or local contact person shall respond within sixty (60) minutes of being notified that the responsible person or guest of the short term rental created unreasonable noise, engaged in disorderly conduct or committed violations of any applicable law, rule or regulation and halt or prevent the recurrence of such conduct. The owner, operator or local contact person shall be subject to all administrative, legal and equitable remedies available to the County for failing to respond within 60 minutes.
- I. Trash and refuse shall not be left stored within public view, except in proper containers for purposes of collection by the County's authorized waste hauler.
- J. The operator shall include the current short term rental certificate number on or in any advertisement appearing in any newspaper, magazine, brochure or internet website that promotes the availability of the short term rental.
- K. An application may be denied if the applicant has had a prior short term rental certificate revoked for the same dwelling within the past twelve calendar months.
- L. If there is a deed restriction on a property that prohibits the use of a residential dwelling as a short-term rental, then that deed restriction shall control. The County shall not enforce said deed restriction.

Section 9. TRANSIENT OCCUPANCY TAX. The operator shall comply with all the requirements of Riverside County Ordinance No. 495, the Uniform Transient Occupancy Tax Ordinance. For the purposes of Riverside County Ordinance No. 495 only, a short term rental shall qualify as a "hotel." The Treasurer Tax-Collector shall be responsible for the enforcement of the provisions of this section and Ordinance No. 495 and shall have no other enforcement duties related to this ordinance beyond these responsibilities.

Section 10. NOTIFICATION AND COMPLAINTS.

- A. Written notice will be provided to all dwellings located within 100 feet of the short term rental's property line that a short term rental certificate was obtained for the short term rental. Such notification shall also include the operator's and local contact person's contact information.
- B. Complaints related to the operation of the short term rental including, but not limited to, unreasonable noise and disorderly conduct shall be initially directed to the local contact person. If the local contact person is unavailable or fails to respond, the complaint shall be made to the Riverside County Sheriff dispatch service.
- C. Complaints related to the issuance of a short term rental certification and compliance with this ordinance shall be directed to the Riverside County Code Enforcement Department.

Section 11. ENFORCEMENT, VIOLATIONS, FINES AND PENALTIES.

A. In addition to any other remedies provided by law, violations of this ordinance shall be enforced as authorized in Riverside County Ordinance No. 725. Each day a violation is committed or permitted to continue shall constitute a separate offense. Violations of this ordinance shall be treated as a public nuisance and strict liability offense regardless of intent.

1	After an administrative hearing has been held in accordance with Section 10 of Riverside		
2	County Ordinance No. 725, a violation of any provision of this ordinance by any of the guests, owners or		
3	operators shall constitute grounds to suspend or revoke a short term rental certificate.		
4	Section 12. SEVERABILITY. If any provision, clause, sentence or paragraph of		
5	this ordinance of the application thereof to any person or circumstances shall be held invalid, such		
6	invalidity shall not affect the other provisions of this ordinance which can be given effect without the		
7	invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be		
8	severable.		
9	Section 13. EFFECTIVE DATE. This ordinance shall take effect thirty (30) days		
10	after its adoption.		
11	BOARD OF SUPERVISORS OF THE COUNTY		
12	OF RIVERSIDE, STATE OF CALIFORNIA		
13	By:Chairman, Board of Supervisors		
14	Chairman, Board of Supervisors		
15	ATTEST: CLERK OF THE BOARD		
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17	By: Deputy		
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19	(SEAL)		
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21	APPROVED AS TO FORM		
22	January 21, 2016		
23	By: R. R.		
24	MELISSA R. CUSHMAN Deputy County Counsel		
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NOTICE OF EXEMPTION

NOTICE OF EXEMITION			
To:	1400 Tenth Street, Room 121	County of Riverside 4080 Lemon Street	
To: <u>X</u>	Sacramento, CA 95814 Office of the County Clerk & Recorder	Riverside, CA 92501	
Project Title:	Ordinance No. 927 An Ordinance of the County	of Riverside Regulating Short Term Rentals	
Project Location: The unincorporated area of Riverside County.			
terms rentals to transient occup County and clar required thereu for administeria	minimize the negative secondary effects on surrous ancy taxes. It recognizes that short term rentals a rifies that the County's Ordinance No. 495 Relating ander apply to all short term rentals. It also establishing the ordinance, that notice be given to neighborise.	ns for the use of privately owned residential dwellings as short inding properties and to ensure the collection and payment of the already occurring in certain unincorporated areas of the geto Transient Occupancy Tax ("TOT Ordinance") and taxes es that a registration fee must paid to cover the operating feesing properties about the use of the residence as a short term and other information be posted within the short term rental.	
Name of Public Agency Approving Project: County of Riverside			
Project Sponsor: Transportation and Land Management Agency of the County of Riverside			
Exempt Status Ministerial Declared Em Emergency 1 Categorical 1 X Statutory Ex X Other: (State	nergency Project	EQA Guidelines § 15273.)	
Ordinance No. section 21080(b structuring, rest services or exparegistration fee under the Coun registering with provisions of the 15061(b)(3) in the section of the sectio	p)(8) and CEQA Guidelines section 15273 because ructuring, or approval of rates, tolls, fares, or other and a system and because the purpose of the fees is to cover the costs of administering the ordinance at ty TOT Ordinance. It also requires very minor act the County, obtaining a certificate, posting notice are ordinance and the fees are also exempt under the	I Quality Act (CEQA) pursuant to Public Resources Code e CEQA does not apply to the establishment, modification, charges by public agencies that are not designed to increase to meet operating expenses. Ordinance No. 927 requires a and specifically recognizes that a short term rental qualifies tivities with no potential to impact the environment such as es, and maintaining records of rentals. Both the procedural he common sense exemption of CEQA Guidelines section ossibility that paying a fee or posting notices or maintaining	
Joe Pradetto, St. County Contact Signature:	Person Title:	(760) 863-8211 Phone Number Date: //2 // (
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