

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF CITY OF HERMOSA BEACH
AMENDING VARIOUS SECTIONS OF THE HERMOSA BEACH
MUNICIPAL CODE TO ESTABLISH A TWO YEAR PILOT
PROGRAM TO REGULATE THE RENTAL OF EXISTING
NONCONFORMING RESIDENTIAL PROPERTIES THAT ARE
LOCATED IN COMMERCIAL ZONING DISTRICTS FOR FEWER
THAN THIRTY DAYS

The City Council of the City of Hermosa Beach does ordain as follows:

Section 1. Section 17.04.040 of the Hermosa Beach Municipal Code is hereby amended by adding the following term to the alphabetical list of terms:

“Short-term vacation rental” shall mean the rental of a residential dwelling, a dwelling unit or a room in a dwelling for compensation by way of a rental agreement, lease, license or any other means, whether oral or written to a person or group of persons for temporary overnight accommodations for a period of less than thirty (30) consecutive days. Short-term vacation rentals are also known as, “short-term vacation rental” and “vacation rentals”

Section 2. Section 17.26.030 of the Hermosa Beach Municipal Code is hereby amended by adding the following use category to the alphabetical list of uses to read as follows:

USES	C-1	C-2	C-3	See section
Short-term vacation rental	-	P	P	17.40.230

Section 3. Section 17.40.230 is hereby added to Chapter 17.40 of Title 17 of the Hermosa Beach Municipal Code to read as follows:

17.40.230 Short-term vacation rentals.

This section sets forth requirements for the establishment and operation of short-term vacation rentals in nonconforming residential dwellings units in certain commercial zones.

A. Permit and Operational Requirements. The approval of operation of a short-term vacation rental shall be subject to the following requirements:

1. Administrative Permit Required. Short-term vacation rentals may be established and operated only after an Administrative Permit has been approved in compliance with Chapter 17.55 of this Code. The Administrative Permit for a short-term vacation rental shall be valid for one calendar year from the date of issuance and may be renewed annually thereafter, provided that this section remains in effect and has not expired.

- a. Prior to granting of an Administrative Permit for operation of a short-term vacation rental, the premises shall be inspected by the Building Official for compliance with all applicable Building and Safety codes. Renewal of said Administrative Permit is subject to inspection by the Building Official for compliance with all applicable Building and Safety codes, as well as compliance with the then applicable municipal code regulations regarding short-term vacation rental rentals. An inspection fee for third and subsequent inspections, as set by resolution of the City Council, may be charged for these additional inspections.
 - b. An application for a new or renewal of an Administrative Permit shall include payment of all required fees, as set by resolution of the City Council.
 - c. Short-term vacation rental rentals established under this section shall have no vested right to continued existence.
2. Location. Short-term vacation rental rentals shall only be permitted in nonconforming residential dwellings on properties zoned C-2, C-3 or SPA 11.
 - a. For purposes of this section, a nonconforming residential unit shall mean a residential dwelling unit that was lawfully established and maintained as a dwelling unit as of **[INSERT EFFECTIVE DATE OF ORDINANCE]**. If the unit is converted into a non-residential use, then it shall be deemed the termination of the existing nonconforming residential use, and thereby the unit loses any nonconforming status as a residential use and loses any right to operate as a short-term vacation rental.
3. Management and Operations Plan. In addition to any other requirements for an application for an Administrative Permit, or any conditions of approval contained therein, the application to establish and operate a short-term vacation rental shall be accompanied by a management plan, which shall establish, to the satisfaction of the Community Development Director, or his/her designee the following:
 - a. The reasonably prudent business practices that owner or owner's authorized agent will use to ensure that the short-term vacation rental unit is used in a manner that complies with all applicable laws, rules, regulations, and permits.
 - b. An identification plaque posted and maintained at all times, within plain view of and legible to the general public, not exceeding six square feet in size, and containing address of premises and permit number, and telephone number of Hermosa Beach Police Department Dispatch for complaints regarding condition, operation or conduct of occupants of the unit. The Director of Community Development may alter the size requirement to ensure the plaque is legible from the adjacent public right-of-way.
 - c. The name, address and telephone number of a local contact person who

shall be available 24 hours per day, seven days per week for the purpose of responding within 45 minutes to City staff calls pertaining to complaints regarding the condition, operations, or conduct of occupants of the short-term vacation rental or their guests.

- d. The owner or the owner's authorized agent, shall, upon notification that any occupant or guest of the short-term vacation rental unit has created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of any applicable, law, rule or regulation pertaining to the use and occupancy of the short-term vacation rental unit, respond in a timely and appropriate manner to immediately halt or prevent a recurrence of such conduct. Failure of the owner or the owner's authorized agent to respond to such calls or complaints regarding the condition, operation, or conduct of the occupants and/or guests of the short-term vacation rental unit in a timely and appropriate manner shall subject the owner to all administrative, legal and equitable remedies available to the City.
- e. The owner and/or the owner's authorized agent shall use reasonably prudent business practices to ensure that the occupants and/or guests of the short-term vacation rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct or illegal activity, or violate any applicable law, rule or regulation pertaining to the use and occupancy of the short-term vacation rental unit.
- f. The owner and/or the owner's authorized agent shall use reasonably prudent business practices to ensure that the short-term vacation rental unit is used for overnight accommodations purposes only. This shall include using all prudent business practices to prohibit the rental to commercial party businesses.
- g. Prior to occupancy of a short-term vacation rental unit, the owner or the owner's authorized agent shall:
 - i. Obtain the contact information of the renter.
 - ii. Provide a copy of the City's "Good Neighbor" brochure containing these requirements to the renter.
 - iii. Require the renter to execute a formal acknowledgement that he or she is legally responsible for compliance by all occupants of the short-term vacation rental unit and their guests with all applicable laws, rules and regulations pertaining to the use and occupancy of the short-term vacation rental unit.
 - iv. The information required in Paragraphs i and iii of this subsection shall be maintained by the owner or the owner's authorized agent for a period of three years and be made available upon request to any officer of the City responsible for the enforcement of any provision of the municipal code or any other applicable law, rule or regulation pertaining to the use and occupancy of the short-term vacation rental unit.
- h. The property shall be maintained free of litter and debris. Trash and refuse shall not be left or stored within public view, except in proper containers for the purpose of collection by the City's authorized waste

hauler on scheduled trash collection days. The size or number of containers and/or frequency of pick-up (if permitted by the City's authorized waste hauler) shall be increased if needed to accommodate the amount of trash generated by all uses on the site.

- i. On-site parking shall be allowed on approved driveway, garage and/or carport areas only. Parking of oversized vehicles must comply with the provisions of Chapter 10.32 of the Hermosa Beach Municipal Code.
- j. Approved on-site parking space(s), including all enclosed garages, shall be kept free and clear to accommodate vehicular parking for renters/guests during all times the unit is in use as a short-term vacation rental.
- k. The number of adult occupants allowed to occupy any given short-term vacation rental unit shall be limited to two per bedroom/sleeping area.
- l. The Community Development Director, or designee, shall have the authority to impose additional conditions on the use of any given short-term vacation rental to ensure that any potential secondary effects unique to the subject short-term vacation rental unit are avoided or adequately mitigated.
- m. The owner or owner's authorized agent shall post the current short-term vacation rental permit number, as well as the number of approved on-site parking spaces available, in any written publication or on any website that promotes the availability or existence of a short-term vacation rental unit.

- 4. The owner shall comply with all requirements related to a Business License under Chapter 5.04 of the Hermosa Beach Municipal Code, and related to the Transient Occupancy Tax under Chapter 3.32 of the Hermosa Beach Municipal Code for the operation of the short-term vacation rental.

B. Development Standards. Short-term vacation rentals shall conform to the following standards.

- 1. On-site parking shall be provided as required under Chapter 17.44.
- 2. A private kitchen area, shower and toilet facilities, and at least one room/area designated as a sleeping area shall be provided in each unit.

C. Amortization. Any short-term vacation rental that was in operation on **[INSERT EFFECTIVE DATE OF ORDINANCE]** shall cease operations no later than **[INSERT DATE THAT IS 180 DAYS AFTER EFFECTIVE DATE OF ORDINANCE]**, unless said short-term vacation rental complies with the requirements of this Section and obtains all required permits and licenses outlined in the section.

D. Violations. Violations of this ordinance are subject to the following standards.

- 1. Any violation of this Section shall result in issuance of an Administrative Citation pursuant to Chapter 1.10 of the Hermosa Beach Municipal Code.

2. More than three (3) violations of this ordinance or any of the City's quality of life ordinances, such as noise violations, disturbing the peace, or creating a public nuisance, within a twelve (12) month period shall be grounds for revocation of the business license and Administrative Permit, in accordance with provisions of the code, provided the three (3) violations have been affirmed by a hearing officer in the event they are appealed.

E. Sunset Clause. The provisions in this ordinance shall become inoperative on **[INSERT DATE THAT IS 2 YEARS AFTER EFFECTIVE DATE OF ORDINANCE]** and shall be considered repealed on that date, unless the City Council of Hermosa Beach enacts a new ordinance that becomes effective on or before **[INSERT DATE THAT IS 2 YEARS AFTER EFFECTIVE DATE OF ORDINANCE]** and which deletes or extends that date. No new or renewals of Administrative Permits and/or business licenses for short-term vacation rentals shall be issued after **[INSERT DATE THAT IS 2 YEARS AFTER EFFECTIVE DATE OF ORDINANCE]** and no permitted short-term vacation rental shall have a right to operate beyond the term of the permit.

Section 4. Section 17.38.540 of the Hermosa Beach Municipal Code is hereby amended by adding the following use category to the alphabetical list of uses to read as follows

USES	P or U	See section
Short-term vacation rental	P	17.40.230

Section 5. Section 17.44.030 of the Hermosa Beach Municipal Code is amended by adding the following parking standard to the alphabetical list of parking requirements to read as follows:

- P. Short-term vacation rentals in commercial zones: one (1) space per bedroom, in no case less than one (1) space per unit and a maximum of two (2) spaces per unit being required.

Section 6. Section 17.52.050 of the Hermosa Beach Municipal Code is amended to read as follows:

With the exception of a short-term vacation rental use approved pursuant to Section 17.40.230, if an existing nonconforming manufacturing, commercial or residential use is vacated or removed and it is succeeded by another use, this shall be deemed the termination of the existing nonconforming use, and thereby immediately loses any vested right to continue. A nonconforming use may be succeeded by a use, which is itself nonconforming, provided the degree of nonconformity is less intensive (e.g., requires less parking or results in fewer dwelling units).

It is the intent of this section to allow for an improvement in the degree of nonconformity of a use utilizing existing structures. It is not intended to allow the

construction of new structures in violation of the provisions of this chapter.

The planning commission shall make determinations as to whether a use is less intensive upon request

Section 7. Section 17.55.070 of the Hermosa Beach Municipal Code is amended to read as follows:

Any administrative permit may be revoked by the director or the decision making body for any of the following causes:

- A. That any term or condition has not been complied with;
- B. That the property for administrative permit has been granted is used or maintained in violation of any statute, law, regulation or condition of approval;
- C. That the use for which the administrative permit was granted has not been exercised for at least twelve (12) consecutive months, or has ceased to exist, or has been abandoned;
- D. The administrative permit has been issued for a short-term vacation rental, which has received three affirmed violations of this ordinance or any of the City's quality of life ordinances, such as noise violations, disturbing the peace, or creating a public nuisance, within a 12-month period; or,
- E. That the use for which the administrative permit was granted has been so exercised as to be detrimental to the public health or safety or so as to constitute a nuisance.

A hearing to show cause why the permit should not be revoked shall be held by the issuing body prior to the revocation of any administrative permit. Written notice shall be provided the permit holder at least ten (10) days prior to the hearing stating the reasons therefor.

Section 8. CEQA. The City Council of the City of Hermosa Beach hereby finds, determines, and declares that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), which states that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Inasmuch as this is a pilot program that allows existing structures to change their use (from long term residential to more transient occupancy), and has strict operational requirements, it can be seen with certainty that there is no possibility that the activity in question will have a significant effect on the environment.

Section 9. Effective Date. This ordinance shall take effect thirty (30) days after its passage and adoption pursuant to California Government Code section 36937.

Section 10. Certification. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this

Ordinance, cause it to be published or posted in accordance with California law.
The City Clerk is further directed to fill in the appropriate dates as indicated in the ordinance above.

PASSED, APPROVED, and ADOPTED this ____ day of _____, 2019

MAYOR of the City of Hermosa Beach, California

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney