



City of Sonoma

Agenda Item Summary

Meeting: City Council - Dec 04 2017



Department

Planning

Staff Contact

David Goodison, Planning Director

Agenda Item Title

Conduct the Second Reading and Adopt an Ordinance Amending Title 19, Sections 19.10.050 and 19.50.110, Amending the Regulations Pertaining to Vacation Rentals and Finding Such Action Exempt from the Requirements of the California Environmental Quality Act (CEQA)

Summary

In October 2016, the City Council unanimously adopted an interim moratorium ordinance on the approval of new applications for vacation rentals while changes to the regulations are discussed and implemented. Since that time, the following actions have been taken:

November 21, 2016. The City Council reviewed and discussed a report setting forth the existing regulations pertaining to vacation rentals.

May 11, 2017. The Planning Commission held a session on vacation rentals, focusing on permitting issues and options.

June 8, 2017. The Planning Commission held a session on vacation rentals, focusing on operational issues and options.

June 19, 2017. The City Council received the information and recommendations developed by the Planning Commission and gave direction as to its preferences with respect to an ordinance updating the regulations pertaining to vacation rentals.

September 14, 2017. The Planning Commission reviewed a draft ordinance setting forth updated permitting allowances and operational requirements for vacation rentals.

October 2, 2017. The City Council adopted a second extension of the interim moratorium ordinance on vacation rentals.

November 20, 2017. The City Council reviewed the draft ordinance as recommended by the Planning Commission. After holding a public hearing and discussion the matter, the City Council voted 5-0 to introduce the ordinance.

Under the proposed ordinance, vacation rentals would no longer be a conditionally-permitted in the Mixed Use and Commercial zones. New applications for vacation rentals would be limited to those involving the adaptive re-use of a historic structure. In addition, the ordinance would establish updated operating standards, of which the major new provisions are as follows:

1. Occupancy Limits /Maximum Overnight Occupancy. Maximum overnight occupancy for vacation rentals would be limited to up to a maximum of two persons per sleeping

- room or guestroom, plus two additional persons per unit.
2. Noise Limits. A prohibition on outdoor amplified sound would be imposed.
 3. Property Manager. A requirement would be established for a property manager, with contact information to be provided to the City.
 4. Requirements for Internet Advertisements and Listings. To simplify enforcement of illegal vacation rentals, online advertisements and/or listings for the vacation rental property would be required to include a Business License or Transient Occupancy Tax Certificate number.
 5. Inspection Fee. To recover the costs of ensuring that the operational requirements are met, an allowance for an annual inspection fee could be established. The draft ordinance does not in and of itself establish a fee. It simply provides for that option as a subsequent action if the City Council so desires.

The updated operating requirements would apply to all vacation rentals.

Note: Allowances for temporary housing approved by the City Council at its meeting of November 20, 2017 allow a vacation rental to be rented on a long-term basis without threatening its status as a legal non-conforming use. This allowance expires on January 31, 2018.

To assist with enforcement, the City already maintains a list of legal vacation rentals and staff will also be creating a webpage that outlines the City's vacation rental requirements and lists those properties that are grandfathered and non-conforming uses.

Recommended Council Action

Adopt the attached ordinance establishing updated regulations on vacation rentals.

Alternative Actions

N/A

Financial Impact

N/A

Environmental Review

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

Status

- Approved/Certified
- No Action Required
- Action Requested

Attachments

[Vacation Rental Ordinance Final](#)

Alignment with Council Goals:



HOUSING:

To analyze policy and programmatic tools suggested by the City's Housing Element; implement strategies to facilitate creation of affordable rental and workforce housing; sustain and increase opportunities to continue the programs currently in place to maintain current affordable housing stock.

Compliance with Climate Action 2020 Target Goals:

N/A

CC:

Vacation Rental Mailing List

City of Sonoma

ORDINANCE # _____ - 2017

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONOMA AMENDING TITLE 19 SECTIONS 19.10.050 AND 19.50.110 OF THE SONOMA MUNICIPAL CODE BY CHANGING THE REGULATIONS PERTAINING TO VACATION RENTALS

The City Council of the City of Sonoma hereby ordains as follows:

Section 1. Amendments to “Zones and Allowable Uses” (Title 19, Section 19.10.050) of the Sonoma Municipal Code. Table 2-2 (Commercial Uses and Permit Requirements) is hereby amended as follows (the remainder of Table 2-2 remains unchanged):

<i>Allowed Uses and Permit Requirements for Commercial Zoning Districts (1)</i>	<i>Permit Required by District (2)</i>		<i>P</i>	<i>Use permitted</i>
			<i>UP</i>	<i>Use Permit required</i>
			<i>L</i>	<i>License required</i>
			<i>—</i>	<i>Use not allowed</i>
<i>Land Use</i>	<i>C</i>	<i>CG</i>		<i>Specific Use Regulations</i>
<i>Services</i>				
Vacation Rental	=	-		<u>19.50.110</u>
<i>Notes:</i>				
1. See SMC 19.10.050(C) regarding uses not listed. See Division VIII for definitions of the listed land uses.				
2. New residential developments subject to the City’s Growth Management Ordinance (SMC 19.94).				
3. Defined as new commercial construction or an addition to an existing commercial building, having an area of 1,000 square feet or greater.				

Section 1. Amendments to “Zones and Allowable Uses” (Title 19, Section 19.10.050) of the Sonoma Municipal Code. Table 2-3 (Mixed Uses and Permit Requirements) is hereby amended as follows (the remainder of Table 2-3 remains unchanged):

<i>Allowed Uses and Permit Requirements for Mixed Use Zoning Districts (1)</i>	<i>Permit Required by District (2)</i>		<i>P</i>	<i>Use permitted</i>
			<i>UP</i>	<i>Use Permit required</i>
			<i>L</i>	<i>License required</i>
			<i>—</i>	<i>Use not allowed</i>
<i>Land Use</i>	<i>MX</i>			<i>Specific Use Regulations</i>
<i>Services</i>				
Vacation Rental	=			<u>19.50.110</u>
<i>Notes:</i>				
1. See SMC 19.10.050(C) regarding uses not listed. See Division VIII for definitions of the listed land uses.				
2. New residential developments subject to the City’s Growth Management Ordinance (SMC 19.94).				
3. Defined as new commercial construction or an addition to an existing commercial building, having an area of 1,000 square feet or greater.				

Section 3. Amendments to “Special Use Standards” (Title 19, Division IV) of the Sonoma Municipal Code establishing standards and requirements for Vacation Rentals.

Chapter 19.50 is hereby amended as follows:

19.50.110 Vacation rentals.

This section sets forth requirements for the establishment and operation of vacation rental facilities.

- A. Permit and Operational Requirements. The approval and operation of a vacation rental shall be subject to the following requirements and restrictions:
1. **Maximum Number of Units.** A vacation rental shall consist of no more than two complete residential units.
 2. **Maximum Length of Stay.** Visitor occupancy per unit shall be limited to a maximum of 29 consecutive days.
 3. **Occupancy Limits: Maximum Overnight Occupancy.** Maximum overnight occupancy for vacation rentals shall be limited to up to a maximum of two persons per sleeping room or guestroom, plus two additional persons per unit.
 4. **Noise Limits.** Vacation rentals shall be operated in conformance with the Noise Ordinance (SMC Chapter 9.56). Outdoor amplified sound shall be prohibited.
 5. **Property Manager.** All vacation rentals shall have a property manager who is available 24 hours per days, 7 days per week during all times that the property is rented or used on a transient basis. The name and contact information of the property manager shall be provided to the City Planning Department and shall be provided to any interested person upon request.
 6. **Requirements Internet Advertisements and Listings.** To inform prospective guests of the rules and to simplify enforcement of illegal vacation rentals, online advertisements and/or listings for the vacation rental property shall include reference to the maximum occupancy limits and shall list the Business License or Transient Occupancy Tax Certificate number of the establishment.
 7. **Business License Required.** A business license is required for the establishment and operation of a vacation rental.
 8. **Transient Occupancy Tax.** A transient occupancy tax registration form shall be completed, and the owner or manager shall pay transient occupancy tax and all other required fees.
 9. **Fire and Life Safety.** Fire and life safety requirements as required by the Fire Department and the Building Department shall be implemented and appropriately maintained.
 10. **Annual Inspection.** Each vacation rental shall comply with the annual fire and life safety certification procedures of the fire department.
 11. **Signs.** One sign, with a maximum area of two square feet, shall be allowed subject to the approval of the city's design review and historic preservation commission.

B. Licensed Vacation Rentals. Existing, licensed vacation rentals shall be allowed to continue as a legal, nonconforming use provided they comply with the requirements set forth in subsections A.2 through A.11 of this section. For the purpose of this section, "licensed" shall mean a vacation rental which as of November 3, 1999, has a valid business license and has registered to pay transient occupancy tax pursuant to SMC 3.16.060.

Section 4. Fees. The City Council shall have the authority to impose an annual inspection or licensing fee on vacation rentals as necessary to recover the costs of inspections and enforcement.

Section 5. Termination of Interim Ordinance. Upon the effective date of this ordinance, Ordinance 11-2016 shall be terminated and have no further force or effect.

Section 6. Exemption from Environmental Review. The amendments to the Municipal Code effected by this ordinance are exempt from environmental review pursuant to Section 15061(b)(3) of the CEQA Guidelines, as it can be determined with certainty that there is no possibility that the proposed revisions to the Development Code, which are intended to better regulate the operation of vacation rentals, will not have any significant impact on the environment.

Section 7. Effective Date. This ordinance shall become effective thirty (30) days from and after the date of its passage.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Sonoma this XX day of XX, 2017.