

PLACER COUNTY SHORT-TERM RENTAL ORDINANCE

DATE: November 19, 2019

FROM: Steve Pedretti, Agency Director

BY: Kally Keding-Cecil, Associate Planner

SUBJECT: Adoption of Placer County Code Chapter 9, Article 9.42: Short Term Vacation Rentals

ACTIONS REQUESTED

1. Adopt an ordinance (introduced on November 5, 2019) amending Placer County **Code Chapter 9 to add Article 9.42, Short Term Vacation Rentals**, and 2. Find the ordinance exempt from of the California Environmental Quality Act (CEQA) pursuant to Guidelines Sections 15061 (b)(3), 15282(h) and 15378. BACKGROUND Short-term vacation rentals, (STRs), have been a staple of the County's tourist economy, particularly in the Tahoe region , for decades. The term "STR" encompasses a wide range of product types including single family residences, condominiums, and accessory dwelling units. These STRs have one commonality in that they provide overnight lodging for thirty (30) days or less. In Placer County, there are 3,778 transient occupancy tax (TOT) certificates for STRs. The majority of these (3,638 STRs) are located in east Placer, at properties at 5,000 feet elevation or above. Existing STR regulations are limited to requiring : payment of quarterly TOT fees, presence of a local contact available 24 hours a day in the event of an issue, posting of rules and regulations, and imposition of parking, trash and noise guidelines. At the July 23, 2019 Board of Supervisors hearing, staff was directed to draft an ordinance regulating STRs in unincorporated Placer County in order to address noise, parking, occupancy, and garbage collection issues. ORDINANCE On November 5, 2019, the Board introduced an ordinance and waived oral reading to amend Placer County Code Chapter 9 to add Article 9.42 to implement regulations for short-term vacation rentals in unincorporated eastern Placer County (above 5,000 ft. elevation).

The ordinance (Attachment A), if adopted, would go into effect January 1, 2020 and STR owners would be required to obtain a Permit by March 31 51 of each year.

CEQA COMPLIANCE The proposed Placer County Short Term Rental Ordinance is not a project subject to CEQA pursuant to CEQA Guidelines section 15378, and is also exempt pursuant to sections 15061 (b)(3) (General Rule) and 15282(h) (secondary dwelling units). RECOMMENDATION Staff recommends the Board approve the following actions: 1. Find the Ordinance exempt from the California Environmental Quality Act (CEQA) pursuant to Guidelines sections 15061 (b)(3), 15282(h) and 15378. 2. Adopt an ordinance amending Placer County Code Chapter 9 to add Article 9.42: Short Term Vacation Rentals.

ATTACHMENTS: Attachment A: Ordinance Exhibit 1: Article 9.42, Short Term Vacation Rentals 3
Attachment A Before the Board of Supervisors County of Placer, State of California In the matter of: An ordinance to amend Chapter 9 to add Article 9.42, Short Term Vacation Rentals Ordinance No.: The following Ordinance was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held November 19, 2019 by the following vote on roll call: Ayes: Noes: Absent: Signed and approved by me after its passage. Chair, Board of Supervisors

THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, ORDAINS AS FOLLOWS:

Section 1: Placer County Code, Chapter 9 is amended to add Article 9.42, Sections 9.42.010 through 9.42.090, as shown in Exhibit 1.

Section 2: This ordinance shall take effect and be in full force on January 1, 2020.

The Clerk is directed to publish this ordinance, or a summary thereof, within fifteen (15) days in accordance with Government Code Section 25124.

EXHIBIT 1: ARTICLE 9.42, SHORT TERM VACATION RENTALS

Article 9.42 SHORT-TERM VACATION RENTALS 9.42.010 Purpose and intent.

The Lake Tahoe Basin and surrounding areas in unincorporated eastern Placer County are known for their scenic beauty and recreational opportunities. These areas are world-renowned vacation destinations. While vacation rentals have been a staple in eastern Placer County for years, the recent surge in popularity of the short-term rental in this area have created compatibility issues in established residential areas. These issues are endangering the health and safety of residents and guests and endangering the very environment and resources that attract visitors to the area. To ensure protection of the health and safety of residents and guests and to protect the environment, it is the purpose of this Article to provide Permit procedures and establish standards for short-term rentals in the unincorporated area of eastern Placer County (above five thousand (5,000) feet above sea level in elevation). All requirements, regulations and standards imposed by this Article are intended to apply in addition to any other applicable requirements, regulations and standards imposed elsewhere in the Placer County Code, state and federal law, and by the Tahoe Regional Planning Agency.

This Article does not apply to short-term rentals in zone districts at or below five thousand (5,000) feet in elevation .

9.42.020 **Definitions.** The following words, phrases and terms as used in this Article shall have the following meanings:

"Agent" means a person or entity authorized to rent the short-term rental on behalf of the property owner and includes a property manager, professional property management company, and/or a local contact person.

"Guest" or **"Guests"** means the individual or individual(s) renting the short-term rental for the purposes of staying overnight.

"Local contact person" means an individual who is personally available by telephone on a twenty-four (24)-hour basis and who maintains the ability to be onsite between thirty (30) and sixty (60) minutes and who has access and authority to assume management of the unit. An agent or professional property management company that meets the availability requirements can serve as the local contact person.

"Professional property management company" means a licensed firm charged with operating a real estate property for a fee.

"Property owner" means the owner of the real property on which the short-term rental exists.

"Resort" means a self-contained lodging facility that provides onsite amenities and activities.

"Short-term rental" means a single-family dwelling, a secondary dwelling unit, multi-family dwelling unit, studio, condominium, townhouse, duplex, guesthouse, bedroom within an existing residential unit, tiny home, or cabin, multi-person dwelling, or yurt, constructed with a building Permit, rented for the purpose of continuous overnight lodging for a period of not less than one night and not more than thirty (30) days. A dwelling that is deed restricted for affordable/moderate or achievable housing is prohibited from being a short term rental pursuant to Section 9.42.050(A).

Within the Tahoe Basin, non-deed-restricted secondary dwelling units may be used as short-term rentals provided the parcel on which the unit is located is greater than one acre in accordance with Section 21.3.2 of the TRPA Code of Ordinances.

"Transient occupancy tax certificate" or **"TOT"** means the certificate defined in Placer County Code Chapter 4, Article 4.16. 1 5

9.42.030 **Permit requirements.** It is unlawful for any person to advertise, maintain, operate or use a short-term rental in the unincorporated area of Placer County above five thousand (5,000) feet above sea level in elevation without a Short-Term Rental Permit, or in violation of the terms and conditions of the Permit. Short-term rental Permits shall be renewed annually, and separate Permits are required for each short-term rental. The Permit requirements for short-term rentals are set forth below. The issuance of any Permit pursuant to this Article does not relieve the owner of the obligation to comply with the other provisions of the Placer County Code pertaining to the use and occupancy of the short-term rental or the property in which it is located.

A. Where allowed. As to this Article, short-term rentals are allowed in all zone districts that allow residential use with approval of a Short-Term Rental Permit, and a TOT certificate, in east Placer County (properties at five thousand (5,000) feet elevation or above).

B. Application process. An application for a Short-Term Rental Permit shall be submitted by the property owner or agent (written property owner authorization is required for an agent to file the application) to the Code Compliance Services Division and shall at a minimum include the following:

1. Property owner or agent name and contact information.
2. The name of the local contact person, if different from the property owner or agent, and a telephone number at which that party may be immediately reached.
3. Address and assessor's parcel number for property for which the short-term vacation rental is located.
4. Rental unit type (i.e. home, condo). If more than one residential unit is located on the property, identify if the rental unit is the property's primary or secondary dwelling.
5. The number of bedrooms. For purposes of this section, a bedroom is a room that contains a minimum of seventy (70) square feet and that meets all requirements of the California Residential Code and contains a window or opening that can be used for emergency egress.
6. Maximum occupancy amount. Occupancy is defined as two people per bedroom, plus two additional people, excluding children under sixteen (16) years of age. Occupancy limits begin at ten (10) pm. Occupancy limits may be increased on a case-by-case basis, at the discretion of the Community Development Resource Agency director.
7. Total number of on-site parking spaces, if applicable. If on-site parking is not available, an alternative parking plan must be provided designating the location of off-site parking.
8. Trash Removal Requirements. Proof of existing garbage service and total number of trash receptacles.
9. Necessity of a TOT Certificate. A current TOT certificate, or application for TOT certificate.
10. Safety Measures. Number and location of fire extinguishers, smoke and carbon monoxide alarms.
11. Compliance with Fire Codes and Safety Requirements. Certification of compliance with Fire Code and fire safety requirements.

12. Acknowledgement that the Owner has read These Ordinance Requirements.

Acknowledgment that the property owner or agent has read and understood this Article, and the County's noise, parking, garbage collection, guest safety and operational standards.

13. Possible Inspection Requirements. If the information supplied by the property owner on the application for a Short-Term Rental Permit is not consistent with County records, an inspection may be required prior to or after the issuance of the Short-Term Rental Permit. An inspection fee shall be charged for the inspection.

C. Term and scope of the Permit. A Short-Term Rental Permit issued under this Article shall expire twelve (12) months from the date of issuance, unless revoked or suspended earlier. The Permit authorizes the property owner to conduct only such services as is described in the Permit and in accordance with the terms and conditions of the Permit. A Permit will be renewed if prior to expiration, the following is provided: updated application information (if changes have occurred), new certifications and acknowledgments (as identified in Section 9.42.030(B)(all) and (12)), payment of the Permit fee, and proof of a valid TOT certificate.

D. Hotel/motel, Timeshare and Resort Exemption. Timeshares, fractional ownership lodging facilities, hotels, motels, or existing resorts are exempt from the Permit requirements of this Article provided the lodging facility has an existing Permit, business license and a current and valid TOT certificate with the County. Single-family dwellings within a resort are also exempt from this ordinance at the discretion of the Community Development Resource Agency director, provided the resort company can demonstrate there are policies in place and can enforce standards for parking, noise, trash, and guest safety. The Short-Term Rental Permit exemption as it relates to single-family dwellings within resorts may be revoked if five or more complaints are made to the County within a six month time period.

E. Residential Association Exemption. A short-term rental within a residential association such as a homeowner's association (HOA), and/ or condo/townhouse association may be exempt from the Permit requirements of this Article, at the discretion of the Community Development Resource Agency (CORA) director, upon formal written request by the short-term rental owner and accompanying acknowledgment by the residential association demonstrating that there are requirements in place through the covenants, conditions and restrictions (CC&Rs) for noise, parking, and trash that satisfy the standards of this Article, and that the residential association can demonstrate a history of enforcement of their requirements. The homeowner must certify the short-term rental is equipped with functioning smoke alarms, carbon monoxide detectors and fire extinguishers.

A copy of the residential association's CC&Rs shall be provided to the Code Compliance Services Division to be kept on file. A residential association that has residences with a Short-Term Rental Permit exemption from the CORA director shall notify the County of any changes to the CC&Rs that may impact the residential association's ability to manage and enforce

requirements for short-term rentals. The Short-Term Rental Permit exemption may be revoked if five or more complaints are made to the County within a six month time period.

F. Permit Fee. Each Short-Term Rental Permit application shall be accompanied by a nonrefundable Short-Term Rental Permit fee. The fee schedule shall be established by resolution of the board following a public hearing. Said fee may be adjusted by resolution of the board following a public hearing. Permits and fees required by this Article are in addition to any license, Permit, certificate or fee required any other chapter of the Placer County Code. G. Date Effective.

This Article shall become effective January 1, 2020. Short-term rental property owners and/or agents shall submit an application or request for exemption for an existing short-term rental by March 31 of each year. Failure to do so may be determined to be in violation of the Article.

9.42.040 Operational Standards. All short-term rentals are required to comply with the following standards and shall not generate other potential disturbances which may disrupt the peace, safety, and general welfare of communities. Failure to comply with the standard conditions of this section may result in fines and Permit revocation as outlined in Section 9.42.050.

A. Owner Responsibility to Prevent Nuisance Behavior. Responsibility of property owner to prevent nuisance behavior and maintain neighborhood peace and quiet. The property owner and/or agent shall inform guest(s) that they are not to violate the standards of this Article and shall be responsible to take any action necessary to ensure that guest(s) abide by the terms of this Article and other applicable provisions of Placer County Code.

B. Requirement of a Local Contact Person. A local contact person shall be personally available by telephone on a twenty-four (24)-hour basis and who maintains the ability to be physically present at the short-term rental within sixty (60) minutes of contact by code compliance, the Placer County sheriff or the guest(s), and has access and authority to assume management of the short-term rental in order to respond and remedy calls or complaints. Calls or complaints about physical conditions or circumstances that constitute an immediate threat to the public health and safety shall obligate the local contact person to immediately contact the appropriate law enforcement, fire, or other authority.

C. Parking. On-site parking shall be provided for each short-term rental. If the property does not have on-site parking the property owner shall have a County-approved parking plan designating the location of off-site parking. In addition, snow area parking must comply with all applicable Placer County Code sections, including Section 10.12.020 (Illegal Parking - Generally).

D. Noise. All short-term rental guests are required to comply with the standards of Placer County Code Article 9.36 (Noise) and the community noise equivalent levels (CNEL) of the Tahoe Basin Area Plan. Nighttime noise limits and quiet hours are imposed from ten (10) p.m. to

seven a.m. The nighttime noise limits shall be posted inside the vacation rental in a location readily visible to all guests.

E. Trash and Refuse.

1. With the exception of trash properly deposited in trash collection receptacles, accumulation of trash and debris outside of the short-term rental at any time is prohibited.

2. Weekly commercial trash collection must be provided for each short-term rental.

3. Each exterior trash collection receptacle shall be "animal proofed" and shall comply with Placer County Code Chapter 8, Article 8.16, Part I, Division II Recollection and Storage Practices. Properties in the County located above an elevation of five thousand (5,000) feet shall provide a bear bin enclosure as defined and pursuant to the requirements of Placer County Code Chapter 8, Article 8.16, Part I, Division III Prevention of Bear Access to Garbage Can Enclosure. Failure to provide proof of bear-bin installation within one-year of Permit issuance in required areas may result in denial of the Permit renewal.

F. Interior Posting Requirements. The Placer County Good Neighbor flyer shall be posted within the interior of the rental unit in a visible location. Interior postings shall contain the contact information for the local contact person, emergency evacuation information, and a notice to guests of potential financial penalties for violating the provisions of this Article. 4 8

G. Smoke Alarms. Smoke alarms, in good working order, shall be installed in accordance with the California Building Code and at a minimum shall be installed in each bedroom, and at least one alarm on every level of the short-term rental, including basements and habitable attics.

H. Carbon Monoxide Alarms. Carbon monoxide alarms, in good working order, shall be installed in accordance with the California Building Code and at a minimum shall be installed outside each bedroom, on every level of the rental unit, including basements and habitable attics, and bedrooms or attached bathrooms with a fuel-burning appliance, and shall be installed in accordance with the manufacturer's installation instructions.

I. Fire Extinguisher. Each short-term rental shall be equipped with one five-pound fire extinguisher, type 3-A:40-B:C, installed at a readily available location near the kitchen. If the short-term rental has more than one level, an extinguisher must be mounted within each level. Fire extinguishers shall be inspected annually by a certified professional to ensure the extinguishers are in good working order.

J. Visible Address. Each short-term rental shall have an address identification. The address identification shall be legible and placed in a position that is visible from the street or

road fronting the property. Whenever the address on the short-term rental unit will not be clearly visible from the street or access road fronting the property, the address shall also be placed at the public street or access road in a manner which is clearly visible from both directions of travel on the frontage road or street. Address identification characters shall contrast with their background and conform to the minimum size requirements of Placer County Code Section 15.04.260. A short-term rental in a condominium building that does not have an individual address may utilize the condominium building address and need not comply with these requirements.

K. Emergency Communications. If located in an area with inadequate cellular service, each short-term rental unit shall contain a working landline phone, Voice Over Internet Protocol, or monitored alarm system.

L. Fire Inspections. Short-term rentals shall allow fire district staff to conduct a life-safety inspection once every three years, and upon request by the fire district, to ensure the rental complies with sections relating to number of bedrooms (9.42.030(B)(5)), smoke alarms (9.42.040(G)), carbon monoxide alarms (9.42.040(H)), fire extinguishers (9.42.040(1)), visible address (9.42.040(J)), emergency communications (9.42.040(K)), outdoor fireplaces (9.42.050(C)), and grills and barbecues (9.42.050(O)). The inspections, including re-inspections due to non-compliance and inspections prompted by complaints, are subject to the applicable fire district fee schedule cost for inspections. Records of such issues shall be provided by the fire district to the Code Compliance Services Division for inclusion in its administrative citation process and referred to the County for enforcement. Failure to allow an inspection to occur may result in suspension and/or revocation of the Short-Term Rental Permit pursuant to Section 9.42.060.

9.42.050 Prohibitions and Restrictions.

A. Prohibited structures. A structure or property with a recorded County covenant, deed restriction or agreement restricting its use, including but not limited to, affordable dwelling units, or deed restricted secondary dwelling units shall not be used for short-term rentals. Short-term rentals 5 9 are not allowed in structures not intended for residential occupancy under the California Building Code Standards and County code.

B. Incidental Camping. A Short-Term Rental Permit does not authorize incidental camping, which means any overnight camping, sleeping in tents or on decks attached to the short-term rental unit, or sleeping in travel trailers or recreational vehicles parked on the short-term rental property.

C. Outdoor Fireplaces. No open wood burning pits, bonfires, or campfires are Permitted to occur at short-term rentals. Natural gas/propane burning fireplaces and fire pits with twenty (20)-pound tanks or smaller are acceptable outside *provided the device is at least ten (10) feet from a structure and any flammable materials.*

D. Grills and barbecues. Grills and barbecues are not Permitted beneath a potentially flammable source including trees, umbrellas, decks, or other appurtenant structures, and shall be no less than ten (10) feet away from a structure or as far as can be accommodated and any flammable materials. Charcoal grills of any type are strictly prohibited .

E. Pets. Pets shall be secured on the property at all times.

F. Subletting. Guests are prohibited from subletting a short-term rental. Only property owners and/or agents with a valid Short-Term Rental Permit and TOT certificate are allowed to advertise and rent a residential unit as a short-term rental.

G. Special events. Weddings, corporate events, commercial functions, and any other similar events which have the potential to cause traffic, parking, noise or other problems in the neighborhood are prohibited from occurring at the short-term rental property, as a component of short-term rental activities, unless a Permit has been issued by the County pursuant to Placer County Code Section 17.56.3QO(B).

9.42.060 Penalties; Decisions on Permit Applications. It is a misdemeanor and a public nuisance to violate any of the provisions of this Article. Any person including guests, property managers, local contact person, agent, and/or property owner that violates the provisions of this Article may be subject to administrative and/or judicial remedies as set forth herein. In addition, the County shall have the authority to suspend or revoke the Short-Term Rental Permit, or to create a cause of action for injunctive relief since any violation is hereby declared to be contrary to the public interest. Unless otherwise expressly provided, the remedies, procedures and penalties provided by this Section are cumulative as to each other and to any others available under state law or other County ordinances. In the event of any conflict between the penalties set forth in this Article and any penalties set forth in state law, the maximum penalties allowable under state law shall govern.

A. Fines For Code Violations. The fine for code violation(s) pursuant to this section may be an administrative penalty of up to five hundred dollars (\$500) per day for each violation contained in a first administrative citation, and up to one thousand dollars (\$1,000) per day for each violation contained in a second or subsequent administrative citation. A prior citation for purposes of this section shall be an earlier administrative citation for violation of this Article on the same property that occurred less than one year prior to the current citation.

B. Denial, Suspension or Revocation of a Short-Term Rental Permit. The Placer County Code Compliance Services Division may deny, suspend or revoke a Short-Term Rental Permit for any of the following reasons:

1. The Short-Term Rental Permit application is incomplete;
2. The Short-Term Rental Permit application contains a false or misleading statement or omission of a material fact;

3. The short-term rental, property owner, agent or guest is currently in violation of, has been found to be in violation of, or is under investigation for violation of, any local, state or federal laws, statutes, rules or regulations;
4. Code compliance staff has responded to the property, and such response results in at least one citation for violations on each visit, if occurring three times within any twelve (12)-month period;
5. The property owner or agent is delinquent on any payment to the County of any fees, penalties, taxes, or any other monies related to the short-term rental property including, but not limited to, transient occupancy taxes;
6. Prior revocation or suspension of a Short-Term Rental Permit;
7. The operation of a short-term rental is a threat to the public health, safety, or welfare;
8. A failed fire inspection, or a refusal to allow a fire inspection of the short-term rental;
9. Absence/expiration of a TOT certificate; or
10. Any required application fee or renewal fee has not been paid.

C. Appeals of Penalties or Decisions on Permit Applications. A guest, property manager, local contact person, agent, or property owner of the short-term rental may appeal a penalty or decision on a Permit application issued pursuant to this Article to a County Hearing Officer by filing a written notice of appeal to the Code Compliance Services Division within ten (10) calendar days of the service of the notice of the penalty or decision.

1. If an appeal is filed, the code compliance officer or designee shall schedule an appeal hearing with a County hearing officer selected on a rotating basis from a list of appointed hearing officers who are not current County employees. Such appeal hearing shall be heard within thirty (30) days from the date of receipt of the appeal.

2. Once the appeal hearing has been scheduled, written notification thereof shall be given to the guest/property owner/agent by certified mail at least ten (10) calendar days prior to the hearing date.

3. At the hearing, the guest/property owner/agent shall have the right to testify, to be represented by counsel, to present witnesses on the guest/property owner/agent's behalf, to cross-examine all other witnesses and to present oral and written documents and evidence on the issues.

4. Within thirty (30) days of the conclusion of the hearing, the Hearing Officer shall render a written decision which shall be served on the guest/property

owner/agent by certified mail. The Hearing Officer's decision is final, unless the operator appeals pursuant to 9.42.060(C)(5).

5. An aggrieved guest/property owner/agent may, within ten (10) calendar days from the date the Hearing Officer's decision is served on the guest/property owner/agent, appeal the Hearing Officer's decision to the Board of Supervisors by filing a notice of such decision with the clerk of the Board. The Board of Supervisors shall schedule a hearing, which shall be open to the public, and the Hearing Officer shall promptly provide all evidence submitted at the hearing, including exhibits, briefing, and transcripts to the board of supervisors.

The guest/property owner/agent shall have the right to argue their position, to be represented by counsel, and to refer to documents or testimony given at the hearing held by the hearing officer but shall not be allowed to introduce any new documents, testimony or other evidence unless the party proffering the new evidence can show good cause as to why the new evidence was not presented at the hearing before the Hearing Officer. The Board of Supervisors may request additional briefing of any issue raised during any point of the appeal process, and may continue the hearing from time to time as deemed necessary. The Board of Supervisors shall issue a decision on the appeal at the conclusion of the hearing, and may sustain, modify, or reverse the decision of the hearing officer. The decision by the Board of Supervisors shall be the final level of administrative appeal.

D. Costs of enforcement. All money and assets collected in payment of penalties for violations of this Article and all money and assets collected for recovery of costs of enforcement of this Article shall be used to offset the cost of enforcement of this Article.

E. No duty to enforce. Nothing in this Article shall be construed as imposing on any code compliance officer or the County of Placer any duty to issue a warning notice, administrative or judicial citation, notice to abate, nor to abate any violations of this Article and neither the code compliance officer, nor the County, shall be held liable for failure to issue an order to abate any violation of this Article.

9.42.070 No property rights conferred. Short-term vacation rental Permits do not provide a vested interest or entitlement in the continued operation of a short-term rental upon a change of property ownership. **Short-term rental Permits are revocable Permits and shall not run with the land.** Property owners must notify the Code Compliance Services Division and revenue services upon change of ownership. Continued operation of a short-term rental upon change of ownership will result in a violation of this Article.

9.42.080 Severability. The provisions of this Article are declared to be separate and severable. The invalidity of any clause, phrase, sentence, paragraph, subdivision, section or portion of this Article, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this Article, or the validity of its application to other persons or circumstances. 9.42.090

Administration. The Placer County Community Development Resource Agency Director, the Placer County Chief Building Official, Placer County Fire Warden, Placer County Health Officer, the Placer County Environmental Health Officer, the Placer County Sheriff, and any employee designated by any of those persons, are authorized to administer and enforce this Article to ensure compliance.