

ORDINANCE NO. _____,

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY AMENDING SECTION 3.24.011 OF THE CATHEDRAL CITY MUNICIPAL CODE RELATING TO VACATION RENTAL UNITS

WHEREAS, the City Council of the City of Cathedral City desires to amend the Municipal Code to appropriately regulate the short term rental of dwelling units in accordance with the existing provisions of the adopted Transient Occupancy Tax Ordinance, and to correct minor inconsistencies in Chapter 3.24 of the Cathedral City Municipal Code; and

WHEREAS, the City Council finds that the proposed amendments are consistent with and enhance the existing Chapter 3.24, Transient Occupancy Tax provisions of the Cathedral City Municipal Code; and

WHEREAS, the City Council finds the regulation of vacation rental units is in the best interest of the public health, safety and general welfare;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1 AMENDMENT TO CATHEDRAL CITY MUNICIPAL CODE SECTION 3.24.011

Section 3.24.11 of the Cathedral City Municipal Code is hereby amended to read as stated in Exhibit "A".

SECTION 2 SEVERABILITY

The City Council declares that, should any provision, section, paragraph, sentence or word of this Ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this Ordinance as hereby adopted shall remain in full force and effect.

SECTION 2 EFFECTIVE DATE

This Ordinance shall take effect thirty (30) days after its second reading and adoption by the City Council.

SECTION 3 POSTING

The City Clerk shall, within fifteen (15) days after passage of this Ordinance, cause it

to be posted in at least three (3) designated public places; shall certify to the adoption and posting of this Ordinance; and shall cause this Ordinance and its certification, together with proof of posting, to be entered in the Book of Ordinances of this City.

SECTION 4 CERTIFICATION

The foregoing Ordinance was approved and adopted at a meeting of the City Council held on the ____ day of _____, 2016, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Stan Henry, Mayor

ATTEST:

Gary F. Howell, City Clerk

APPROVED AS TO FORM:

Eric S. Vail, City Attorney

Exhibit "A"

Cathedral City Municipal Code section 3.24.011 is amended to read as follows. The text of any added language is shown by **underlining, italicizing and bolding** the added text. The text of any deleted matter is shown by ~~strike-through~~ of the deleted text.

3.24.011 Vacation Rental Units

A. Purpose. The purpose of this section is to establish regulations for the use of privately owned residential dwellings as vacation rentals to ensure the collection and payment of applicable transient occupancy taxes and minimize the negative secondary effects of such use on surrounding residential neighborhoods. This section is not intended to modify the definitions included in Section 3.24.010, but rather to specifically regulate a defined subset of units included in the definition of "hotel." Further, this section does not provide any owner of residential property with the right or privilege to violate any private conditions, covenants and restrictions applicable to the owner's property that may prohibit the use of such owner's residential property for short term rental purposes as discussed in this section.

B. Definitions. For purposes of this section only, the following words and phrases shall have the following meanings:

"Applicable laws, rules and regulations" means any laws, rules, regulations and codes (whether local, state or federal) pertaining to the use and occupancy of a privately owned dwelling unit as a vacation rental.

"Applicant" means the owner of the vacation rental unit or the owner's authorized agent or representative.

"City manager" means that person acting in the capacity of the city manager of the city of Cathedral City or designee.

"Local contact person" means the person designated by the owner or the owner's authorized agent or representative who shall be available twenty-four hours per day, seven days per week for the purpose of: (1) responding within forty-five minutes to complaints regarding the condition, operation, or conduct of occupants of the vacation rental unit; and (2) taking remedial action to resolve any such complaints.

"Owner" means the person(s) or entity(ies) that hold(s) legal and/or equitable title to the subject vacation rental.

"Property" means a residential legal lot of record on which a vacation rental unit is located.

"Responsible person" means an occupant of a vacation rental unit who is at least twenty-one years of age and who is legally responsible for ensuring that all occupants of the vacation rental unit and/or their guests comply with all applicable laws, rules and regulations pertaining to the use and occupancy of the subject vacation rental unit.

“Transient” means any person who seeks to rent or who does rent a privately owned residential unit for a period of thirty consecutive calendar days or less.

“Vacation rental unit” means a privately owned residential dwelling (not a hotel, motel or timeshare), including without limitation, a single-family detached or multiple-family attached unit, lodging or rooming house, dormitory, apartment house, condominium, cooperative apartment, duplex, mobile home or house trailer at a fixed location, or other similar structure or portion thereof, and shall further include any space, lot, area, or site in any trailer court, campsite, park, or lot where a trailer, recreational vehicle, mobile home, motor home or any other conveyance, or any portion of such dwellings, rented for occupancy for dwelling, lodging, or sleeping purposes for a period of thirty consecutive calendar days or less, counting portions of calendar days as full days. The term “vacation rental unit” shall not include any private dwelling house or other individually owned single-family dwelling house unit rented only occasionally (infrequently) and incidentally to the normal occupancy by the owner or his or her family; provided that the owner has filed adequate information with the tax administrator establishing and maintaining that such private dwelling house or other individually owned single-family dwelling house unit is exempt from the provisions of this chapter relating to transient occupancy tax by reason of such occasional, infrequent and incidental rental.

“Vacation rental unit permit” means a permit that allows the use of a privately owned residential dwelling as a vacation rental unit pursuant to the provisions of this section, and incorporates by consolidation the transient occupancy registration permit required by Section 3.24.015 of this chapter.

C. Authorized Agents or Representatives. An owner may authorize an agent or a representative to comply with the requirements of this section on behalf of the owner. However, the owner shall not be relieved from any personal responsibility for noncompliance with any applicable law, rule or regulation pertaining to the use and occupancy of the subject vacation rental unit, regardless of whether such noncompliance was committed by the owner’s authorized agent or representative or the occupants of the owner’s vacation rental unit or their guests.

D. Vacation Rental Unit Permit Required—Application and Fee.

1. The owner or the owner’s authorized agent or representative is required to obtain a vacation rental unit permit from the city, pursuant to the provisions of this section, before renting any vacation rental unit to any transient for a period of thirty consecutive calendar days or less. Such vacation rental unit permit must be renewed annually to remain valid.

2. The owner or the owner’s authorized agent or representative must submit the following information on a vacation rental unit permit application form provided by the city:

a. The name, address, and telephone number of the owner of the subject vacation rental unit;

- b. The name, address, and telephone number of the owner's authorized agent or representative, if any;
- c. The name, address, and twenty-four hour telephone number of the local contact person;
- d. The address of the proposed vacation rental unit;
- e. The number of bedrooms and the applicable overnight and daytime occupancy limit of the proposed vacation rental unit;
- f. Such other information as the city manager or designee deems reasonably necessary to administer this chapter.

3. In addition to the requirements of subsection (D)(2), for units located in any area governed by a homeowners association or community association (association) and subject to covenants, conditions, and restrictions (CC&Rs), the owner or the owner's authorized agent or representative must additionally submit a letter from the association's governing board stating that either the CC&Rs do not regulate such vacation rentals, or that vacation rentals are not prohibited at the proposed unit by the CC&Rs.

~~34. The vacation rental unit permit application shall be accompanied by an application fee of sixty dollars that will be used to process the application and enroll the vacation rental unit. In addition to the vacation rental unit permit application fee, the owner of the unit must obtain a valid business license in accordance with the provisions of Chapter 3.28 of the Cathedral City Municipal Code. Furthermore, any rental agency or service engaged in advertising or renting vacation rental units shall maintain a current business license in accordance with the provisions of Chapter 3.28 of the Cathedral City Municipal Code.~~ **The vacation rental unit permit application shall be accompanied by a application and registration fee in an amount established by City Council resolution from time to time.**

45. A vacation rental unit permit application may be denied if the applicant has had a prior vacation rental unit permit for the same unit revoked within the past twelve calendar months.

56. Within fourteen days of a change of property ownership, change of owner's agent or representative, or any other change in material facts pertaining to the information contained in the vacation rental unit permit application, the owner or owner's authorized agent or representative shall submit an application and requisite application fee for a new vacation rental unit permit, which must be obtained prior to continuing to rent the subject unit as a vacation rental.

E. Standard Operational Requirements and Conditions.

1. The owner and/or owner's authorized agent or representative shall use reasonably prudent business practices to ensure the vacation rental unit is used in a

manner that complies with all applicable laws, rules and regulations pertaining to the use and occupancy of the subject vacation rental unit, and shall further use reasonably prudent business practices to ensure the occupants and/or guests of the vacation 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 vacation rental unit.

2. Upon notification that the responsible person and/or any occupant and/or guest of the 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 subject vacation unit, the owner, the owner's authorized agent or representative and/or the owner's designated local contact person shall promptly respond in a timely and appropriate manner to immediately halt or prevent a recurrence of such conduct by the responsible person and/or any occupants and/or guests. Failure of the owner, the owner's authorized agent or representative and/or the owner's designated local contact person to respond to calls or complaints regarding the condition, operation, or conduct of occupants and/or guests of the vacation rental in a timely and appropriate manner shall be subject to all administrative, legal and equitable remedies available to the city. The owner, the owner's authorized agent or representative and/or the owner's designated local contact person shall report to the city manager, or designee, the name, violation, date, and time of disturbance of each person involved in three or more disorderly conduct activities, disturbances or other violations of any applicable law, rule or regulation pertaining to the use and occupancy of the subject vacation unit.

3. The number of occupants allowed to occupy any given vacation rental unit shall be limited as follows:

Number of Bedrooms	Total of Overnight* Occupants	Total Daytime** Occupants (Including Number of Overnight Occupants)
0—Studio	2	8
1	2	8
2	4	8
3	6	12
4	8	16
5	10	18
6	12	18
7	14	18

* Overnight (10:01 p.m.—6:59 a.m.)

** Daytime (7:00 a.m.—10:00 p.m.)

4. While a vacation rental unit is rented, the owner, the owner's authorized agent or representative and/or the owner's designated local contact person shall be available twenty-four hours per day, seven days per week for the purpose of responding within forty-five minutes to complaints regarding the condition, operation, or conduct of occupants of the vacation rental unit or their guests.

5. In accordance with Section 11.96.030 of the Cathedral City Municipal Code, no radio receiver, musical instrument, phonograph, compact disk player, loudspeaker, karaoke machine, sound amplifier, or any machine, device or equipment that produces or reproduces any sound shall be used outside or be audible from the outside of any vacation rental unit between ten p.m. and eight a.m.

6. Prior to permitting occupancy of a vacation rental unit by a transient, the owner or the owner's authorized agent or representative shall: (a) obtain the name, address, and a copy of a valid government identification of the responsible person; (b) provide information about the vacation rental regulations; and (c) require such responsible person to execute a formal acknowledgement that he or she is legally responsible for compliance by all occupants of the vacation rental unit and their guests with all applicable laws, rules and regulations pertaining to the use and occupancy of the vacation rental unit. This information shall be maintained by the owner or the owner's authorized agent or representative for a period of three years and be made readily available upon request of 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 vacation rental unit.

7. Trash and refuse shall not be left 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 owner, the owner's authorized agent or representative shall use reasonably prudent business practices to ensure compliance with all the provisions of Chapter 6.04 (Refuse Disposal).

8. The owner, the owner's authorized agent or representative and/or the owner's designated local contact person shall post a copy of the vacation rental unit permit and a copy of the applicable regulations in a conspicuous place within the vacation rental unit. Further, the owner and/or the owner's authorized agent or representative shall include the current vacation rental unit permit number on or in any advertisement appearing in any newspaper, magazine, brochure, television trade paper, Internet website, etc., that promotes the availability or existence of a vacation rental unit in a place or location deemed acceptable by the city manager or designee. In the instance of audio-only advertising of the same, the vacation rental unit permit number shall be read as part of the advertising.

9. Unless otherwise provided in this section, the owner of a vacation rental unit and/or the owner's authorized agent or representative shall be subject to and shall comply with all provisions of this chapter concerning transient occupancy taxes, including, but not limited to, submission of a monthly or alternative return in accordance with Section 3.24.045 of this chapter, which shall be filed monthly even if the vacation rental unit was not rented during each such month.

F. Additional or Modified Operational Requirements and Conditions.

1. The city manager, or designee, shall have the authority to impose additional conditions on the use of any given vacation rental unit to ensure that any potential secondary effects unique to the subject vacation rental unit are avoided or adequately mitigated.

2. The standard conditions set forth herein may be modified by the city manager, or designee, upon request of the owner or the owner's authorized agent or representative based on site-specific circumstances for the purpose of allowing reasonable accommodation of a vacation rental. All requests must be in writing and shall identify how the strict application of the standard conditions creates an unreasonable hardship to a property such that, if the requirement is not modified, reasonable use of the property for a vacation rental would not be allowed. Any hardships identified must relate to physical constraints to the subject site and shall not be self-induced or economic. Any modifications of the standard conditions shall not further exacerbate an already existing problem.

G. Violations, Notices, Remedies and Penalties.

1. Imposition of Additional Conditions; Suspension and Revocation.

a. A violation of any provision of this ~~section~~ **chapter** by any of the occupants, responsible ~~parties~~ **party**, owner(s) or the owner's authorized agent(**s**) or representative(**s**) shall authorize the city manager, or designee, to impose additional conditions on the use of any given vacation rental unit to ensure that any potential additional violations are avoided.

b. A violation of any provision of this ~~section~~ **chapter** by any of the occupants, responsible ~~parties~~ **party**, owner(s) or the owner's authorized agent(**s**) or representative(**s**) shall constitute grounds for modification, suspension and/or revocation of the vacation rental unit permit and/or any affiliated licenses or permits pursuant to the provisions set forth in Chapter 13.150. The city may issue a notice of violation to any occupant, responsible party, owner(s) or the owner's authorized agent or representative, pursuant to Chapter 13.55, if there is any violation of this section committed, caused or maintained by the any of the above parties.

2. It shall be unlawful to commit a violation of any term or condition of a vacation rental unit permit, and such violation shall be subject to any enforcement action available under this code, at law or in equity, without limitation.

3. Any person issued an administrative citation under section 13.58 for a violation of this chapter or for violation of a term or condition of a vacation rental unit permit, for each separate violation, shall be subject to a fine in an amount to be established by resolution of the City Council.

4. Public Nuisance. It shall be a public nuisance for any person to commit, cause or maintain a violation of this section, which shall be subject to the provisions of Chapter 13.90.