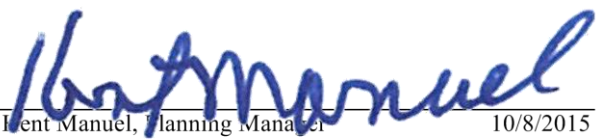


CITY OF REDDING

REPORT TO REDDING PLANNING COMMISSION

MEETING DATE: October 13, 2015 ITEM NO. 4b(1) [L-010-500-900]	FROM: Kent Manuel, Planning Manager
SUBJECT: 4b(1)--Public Hearing to consider Amendment to Title 18 of the Redding Municipal Code to add Section 18.43.180, Short-Term Rentals, RZ-2015-00904, to add regulations pertaining to the use of single-family residences as vacation rentals, and for renting of individual rooms.	
APPROVED BY	
	 Kent Manuel, Planning Manager 10/8/2015

Recommendation

Conduct a Public Hearing and, upon conclusion, recommend that the City Council adopt the Addendum to the Zoning Code Mitigated Negative Declaration and the proposed amendments to Section 18.43.180 pertaining to Short-Term Rentals, to add regulations pertaining to the use of single-family residences as vacation rentals, and for renting of individual rooms such is often done through internet sites, such as Airbnb and VRBO (Vacation Rental By Owner).

Background

On July 28, 2015, the Planning Commission (Commission) conducted a public workshop regarding the proposed Short-Term Rental (STR) ordinance. This was a follow-up to a discussion that the Commission had at its regular meeting of April 14, 2015, at which staff initiated a process to determine whether (and if so, how) short-term rental of single-family residences, or bedrooms within single-family residences, should be regulated. Attached to this report is the July 28, 2015, staff report which provides background on the topic.

As the Commission will recall, staff, with the assistance of an Advisory Group (AG) of stakeholders made up of citizens with experience in STRs developed a draft set of regulations intended to address the potential impacts associated with short-term rentals and to establish appropriate permitting requirements. In addition to Commissioner Bert Meyer, the AG included representation from the following groups:

- Redding Marketing and Tourism Association.
- Bed and Breakfast Inn Operators.
- Homeowner Association President.
- Airbnb Host.

- Board of Realtors.
- Vacation Rental Operators.

At the July 2015 workshop, the Commission heard testimony from a number of individuals, many of whom had short-term rentals currently, and others who expressed concerns that short-term rentals were not compatible with single-family neighborhoods. At the conclusion of the workshop, the Commission asked staff to reconvene the AG to seek its guidance on the following areas of the proposed ordinance:

- The number of days a property could be used for “Hosted Homestay” purposes.
- The number of guests that would be allowed each night at a Hosted Homestay.
- Off-street parking requirements.
- Proximity limitations between vacation rentals.

Draft Ordinance Approach

The draft ordinance proposes a two-tiered regulatory approach, reflecting that certain rental activities are more “commercial” in nature (and thus may have a higher potential for impacts), while others are fairly innocuous. Generally, this is related to whether the owner is required to be present during rental periods, the number of rooms rented, and number of days per year of rental activity. Those tiers and basic requirements are:

- **Hosted Homestays.** Requires owner occupancy and establishes limitations on the number of rooms, adults, and days per year that rental could occur. No permit would be required (i.e. it would be a “permitted use,” similar to Home Occupations). However, an affidavit would be on file with the City verifying that the host understands, and agrees to comply with, the regulations.
- **Vacation Rentals.** Does not require owner occupancy and requires a site development permit to be approved by the Development Services Director. The permit would establish appropriate limitations on occupancy and the number of rental days allowed each year, as well as address other concerns related to particular locations. Note that the permit is discretionary and can be denied if required findings are made. The determination of the Director may, of course, be appealed.

The draft regulations include provisions related to off-street parking, compliance with health and safety codes, prohibition of commercial activities (e.g. weddings), payment of Transient Occupancy Taxes (TOT), and limitations on signs. These and other provisions would apply to both types of short-term rentals. The regulations would be applied retroactively to existing operators who would be given 60 days to obtain authorization for a “Hosted Homestay” or to *apply* for a site development permit for a vacation rental or bed and breakfast inn.

The Commission should note that the provisions currently in the Zoning Code pertaining to Bed and Breakfast Inns would still apply. This hierarchy will allow a property owner to apply for the type of facility he or she wants to operate. For instance, if an individual desires to rent more rooms out than allowed under the “Hosted Homestay,” he/she would be required to receive a permit to operate either a “Vacation Rental” or “Bed and Breakfast” establishment, whichever better fits their needs. The regulations for bed and breakfast inns are attached as is a comparison of the basic requirements between the three short-term rental types.

The Commission should note that the draft regulations are intended to keep the permit process as simple as possible. Anecdotally, it has been the experience of other jurisdictions that compliance levels are generally proportionate to the cost and difficulty of obtaining permits and the onerousness (perceived or real) of the regulations.

Advisory Group Recommendations

As noted above the Commission asked the AG to provide recommendations on several issues brought up at the public workshop. The recommendations of the AG are reflected in the attached draft regulations. The modifications made since the public workshop are noted by underline and ~~strikeout~~. The following provides a brief explanation of their recommendations:

Hosted Homestay.

- *Number of rental days per year:* The AG recommends that the number of permitted rental days not be increased beyond the 120 days originally proposed. While the appropriate number of days is certainly debatable, the AG determined that the 120-day limitation provides sufficient opportunity for “average” Hosted Homestay operators to avail themselves of the opportunity to make their home available to travelers while not overburdening neighbors. Note that there is no consistency between regulations of other jurisdictions. Staff has seen a range of between 60 to 180 days per year if days are restricted at all.
- *Number of Guests:* The initial draft ordinance proposed a limit of two adults per room. It was silent on children. After considerable discussion, the two adults per room limit was recommended to be retained. This keeps the number of guests down to an acceptable level and leaves it up to operators to determine if they want to accommodate children in a guest room.
- *Off-street Parking:* The original draft required a minimum of one off-street parking space be provided for each guestroom. The Commission questioned whether this applied to the property owner who could give up their garage spaces and park in the street, effectively defeating the attempt to ensure that parking does not become an issue with neighbors. The AG recommended that the provision be modified to make it clear that all parking associated with the residence be on private property and not the street, even though in limited cases, this may restrict the number of rooms that can be rented if parking cannot be provided.

Vacation Rentals.

- *Proximity to other Vacation Rental:* Concern was raised during the public workshop regarding a circumstance where multiple Vacation Rentals may be located within a neighborhood (or in the same cul-de-sac.) The AG looked at various options such as placing a 300-foot or larger buffer between each vacation rental, similar to state laws pertaining to certain group homes. In looking at a number of possible implications of an arbitrary distance separation requirement, noting that a set “buffer” did not make sense in many neighborhood configurations, the AG instead indicated its preference to amend the draft to include proximity of the proposed rental to other vacation rentals, group homes, residential care facilities, as well as neighborhood and site characteristics as factors in the

Development Services Directors determination to approve or deny an application. Note that this would only apply to Vacation Rentals as the permit is discretionary.

Issue

Does the Commission feel that the regulatory structure proposed, and resolution of the issues that were raised during the public workshop, are appropriate? Are there other issues that the Commission feels need to be addressed?

Environmental Determination An Addendum to Zoning Code Mitigated Negative Declaration is appropriate for this action and is attached to this report.

Public Comment Staff has not received any comments after publishing the legal notice for the public hearing.

Planning Commission Authority Section 18.10.030.B5 assigns to the Planning Commission responsibility to make a recommendation to the City Council on proposed amendments to the Zoning Code.

Required Findings Since amendment of the Zoning Code is a legislative act of the City Council, the Commission (or City Council) is not required to make findings on the proposed ordinance.

Conclusions and Recommendation

Staff and members of the AG recognize that the use of internet sites to book accommodations in single-family areas will only continue to grow. Given the explosion of the number of STRs, more and more local jurisdictions are realizing that they will need to address the issues. That said, *relatively* few jurisdictions have been as proactive as Redding in addressing it head-on. Staff and the AG feel that the proposed regulations strike a balance between accommodating these uses and the potential neighborhood impacts of STRs. It is the recommendation of staff that the Commission recommend to the City Council adoption of the CEQA document (Addendum) and the addition of Section 18.43.180 to the Zoning Code to regulate Short-Term Rentals.

Attachments:

Draft Regulations-Underline/Strikeout Version
Staff Report from July 28, 2015, meeting
Addendum to a Mitigated Negative Declaration
Short-Term Rental Comparison
Bed and Breakfast Inn Regulations

**CHAPTER 18.43.180
SHORT-TERM RENTALS**

Section 18.43.180

- A. Purpose**
- B. Types of Short Term Rentals**
- C. Short-term Rental Permit Requirements**
- D. Districts in Which Permitted**
- E. General Requirements – Hosted Homestay**
- F. General Requirements – Vacation Rentals**
- G. Application Required**
- H. Violations/Revocation**

A. Purpose

The purpose of this Section is to establish an appropriate permitting process and standards for short-term rental of single-family dwellings; to provide a visitor experience and accommodation as an alternative to the typical hotel, motel, and bed and breakfast accommodations customarily permitted in the city; to minimize potential negative secondary effects of short-term rental use on surrounding residential neighborhoods; to retain the character of the neighborhoods in which any such use occurs; and ensure the payment of required transient occupancy taxes.

B. Types of Short-Term Rentals.

For purposes of this Section, the following Short-Term Rental facilities are established:

1. **Hosted Homestay.** An owner occupied single family dwelling unit where, for compensation, individual overnight room accommodations are provided for a period of less than 30 days. ~~and the rental of room(s) within the dwelling is at a scale where, for all practical purposes, the residence cannot be differentiated from other, non-home stay residences, in the neighborhood.~~
2. **Vacation Rental.** An entire dwelling unit where, for compensation, overnight accommodations are provided for a period of less than 30 days and the owner does not reside within the dwelling unit for the term of the rental.

C. Short-Term Rental Permit Requirements.

No person shall use any dwelling unit on any parcel in any zoning district for short-term rental purposes without first obtaining approval as required by this Section. The provisions of this ordinance apply to all existing and future short term rentals as defined in this Section. Existing short term rental facilities shall either apply for, or obtain authority to operate, within 60 days of the effective date of this ordinance. The following approval process is established:

1. **Hosted Homestay:** This use is permitted within all zoning districts subject to obtaining a Zoning Clearance from the Director and providing an affidavit certifying that the owner understands and agrees to the requirements of this

Section. Applicants may be required to provide a site plan or other information determined necessary by the Director to determine compliance with this Section and shall pay an application fee as may be established by resolution of the City Council.

2. Vacation Rental: Site Development Permit issued by the Director in accordance with the provisions of Chapter 18.11, Common Procedures and Chapter 18.13, Site Development Permits of this Code.

D. Districts In Which Permitted.

The regulations of this chapter apply to short-term rentals in all zoning districts.

E. General Requirements - Hosted Homestay.

1. No more than one dwelling unit on a lot may be used at any one time for short term rental purposes.
2. A maximum of two rooms may be available for rent at any time.
3. Occupancy shall be limited to a maximum of two adults per rented room. Room rental shall be limited to a maximum of 120 rental days per calendar year.
4. The property owner must occupy the residence at all times when rooms are being provided for rent.
5. A minimum of one on-site parking space shall be provided for each rental room. This shall be in addition to the two spaces required for the dwelling by Chapter 18.41. Guest parking spaces may be within the primary driveway of the residence. Guest's Vehicles of the owner and guests shall not be parked on the street private property overnight during rental periods. External changes to a property such as converting significant areas of front yard landscape for purposes of meeting parking requirements is not allowed.
6. Short-term rentals shall meet all applicable building, health, fire and related safety codes at all times, including provision of working smoke and carbon monoxide detectors.
7. The owner shall post emergency evacuation instructions and "house policies" within each guest bedroom. The house policies shall be included in the rental agreement, and shall be enforced by the owner. At a minimum, the house policies should:
 - a. Reinforce the City of Redding's Noise Standards (RMC Section 18.40.100) by establishing outdoor "quiet hours" to minimize disturbance to neighboring residences.
 - b. Require that guest vehicles be parked on the premises, not the street in compliance with this Section.
8. The property shall not be used to host non-owner related weddings, parties, and other similar events.

9. On-site advertising signs or other displays indicating that the residence is being utilized as a short term rental, is prohibited.
10. A City business license shall be obtained and transient occupancy taxes paid in accordance with Chapter 4.12 as required. All advertising for any short-term rental shall include the transient occupancy tax number assigned to the owner-applicant. With submittal of transient occupancy taxes, the operator shall also submit a statement indicating the number of guest stays, and the number of guests for the reporting period.
11. The permit is not transferrable to a subsequent property owner or to another property.

F. General Requirements - Vacation Rentals.

1. With the exception of items 1 through 4 listed in Section 18.43.180(E.) above, the General Requirements provisions for Hosted Homestays shall apply to Vacation Rentals.
2. The following additional provisions shall also be applicable to Vacation Rentals which may be supplemented by requirements established by the Director with approval of the required Site Development Permit as necessary to maintain compatibility of the use with the surrounding properties.
 - a. A Vacation Rental shall not be rented to multiple tenants at any time.
 - b. The owner/applicant shall keep on file with the city the name, telephone number, and email address of a local contact person who shall be responsible for responding to questions or concerns regarding the operation of the short-term rental. This information shall be posted in a conspicuous location within the short-term rental dwelling. The local contact person shall be available twenty-four hours a day to accept telephone calls and respond physically to the short-term rental within sixty (60) minutes, if necessary.
 - c. Depending of the physical nature of the property and surrounding properties, the Director may allow, with approval of the site development permit, on-street guest parking.

G. Application Required.

Where a Site Development Permit is required by this Section, applicants for a short-term rental use shall apply for a permit in accordance with the provisions of Chapter 18.11, Common Procedures, and shall pay the application fee established by resolution of the City Council. In making a determination to approve, conditionally approve, or deny an application, the Director may consider such factors, including but not limited to, proximity of the property to other vacation rentals, bed and breakfast establishments, group homes, and residential care facilities, and neighborhood and site characteristics.

H. Violations/Revocations.


Enforcement of the provisions of this Section may include the civil and equitable remedies as permitted by state law, the issuance of a citation and fine, or other legal remedy as provided by Chapter 1.12 of the Redding Municipal Code. Upon notification by the City, any short term rental operating in violation of the requirements of this Section must terminate operations immediately. Further, a Site Development Permit issued under the authority of this Section may be revoked in accordance with the procedures established in Chapter 18.11, Common Procedures.

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CITY OF REDDING

REPORT TO THE PLANNING COMMISSION

Packet Pg. 11

ITEM NO.	5a
MEETING DATE	July 28, 2015
APPROVED BY	
STAFF AUTHOR	
PLANNING MANAGER	
	

DATE: July 23, 2015 CODE: L-010-500-900

APPLICANT: City of Redding

SUBJECT: Short-Term Rentals Workshop

BACKGROUND

The purpose of the July 28, 2015, Planning Commission meeting is to conduct a public workshop to address the working draft of Short-Term Rental (STR) regulations. The workshop will be held in the Community Room instead of the Council Chambers and will begin at 4:00 p.m. This is not a public hearing and is intended to provide an opportunity for Commissioner's, as well as community members, to discuss the current recommendations of a stakeholder group and staff regarding potential regulations for STRs in a relatively informal setting.

Over the past few years, the number of residences being offered for short-term stays in Redding has been increasing. In many instances one or more rooms are being offered for rent from one to several days (or weeks), in violation of the existing provisions of the City's Zoning Code. With online sites such as Airbnb, VRBO (Vacation Rentals by Owner) and others, the number of concerns expressed by neighbors questioning whether such rentals are legal is similarly increasing.

Redding is not alone, as local jurisdictions throughout the nation are dealing with the issue of STRs and the potential impacts that can arise with these types of "new sharing economy" commercial uses. Unregulated STRs have a potential to generate unwanted impacts to surrounding properties such as increased traffic, parking, noise disturbances, and perceived neighborhood safety issues. In some communities such as San Francisco, STRs have an impact on housing availability, although this is not the case in Redding. Under existing Zoning Code provisions, room or residence rentals of less than 30 days are considered a motel-type use, which is not allowed within residential districts unless a Bed and Breakfast Establishment permit has been obtained. Typically, bed and breakfasts (B&Bs) are situated within a unique house or property that is complementary to the B&B type use.

As the Commission will recall, at the April 14, 2015, meeting, staff initiated discussion of whether (and if so, how) rental of single-family residences or bedrooms within single-family residences should be regulated. During that meeting, staff presented an issue paper (attached) related to STRs as well a hypothetical ordinance that highlighted a number of issues for consideration by the Commission. The majority of Commissioners felt that the City needed to get a handle on STRs particularly, given the relatively recent popularity of internet booking sites such as Airbnb, VRBO, and others, and directed staff to begin developing potential regulations for consideration by the Commission.

Clearly, booking through internet sites is not going away, and it is incumbent on the City to consider crafting regulations that will protect its residential neighborhoods while leveling the playing field with those businesses such as motels and B&Bs that collect and transmit required Transient Occupancy Tax (TOT) to the City. The issue cannot be effectively addressed by Code Enforcement action alone, a reality acknowledged by many other communities that are currently struggling with the issue. To initiate development of regulations, staff indicated to the Commission

that it would identify appropriate stakeholders to craft a set of regulations to address STR issues. In addition to Commissioner Meyer, the stakeholders included representation from the following groups:

- Redding Marketing and Tourism Association.
- Bed and Breakfast Inn Operators.
- Homeowner Association President.
- Airbnb Host.
- Board of Realtors.
- Vacation Rental Operators.

Information regarding short-term rentals, including the staff report and attachments previously provided to the Commission, was distributed to each group member for review. Staff then met with each member individually and convened a group meeting to gain insight into each member's perspective on the issue and to get their input on draft regulations. Staff also contacted a representative of Airbnb to better understand the operational characteristics of their business model.

Staff believes that is fair to characterize the draft ordinance as representing the general consensus of the stakeholders. While not everyone may agree with every point, the stakeholders understand that that their work was an important and vital first step in the process of engaging the community on this issue.

Regulating STRs

First, it is important to note that the City receives relatively few complaints regarding short-term rentals. The complaints received are predominantly concerns expressed about entire homes being rented out for short periods of time and are generally related to parking and increased traffic. The relatively few number of complaints received is surprising given that Airbnb lists over 180 rentals in the Redding area and VRBO lists over 25. The Bethel Church of Redding website lists 17 "Hospitality Housing" properties. The City also has eight approved B&Bs in operation. While there may be some duplication among these sources and not all of these residences are within the City limits, availability of these units, as well as those from other internet sites such as Craigslist, suggest that there is fairly robust STR activity in Redding.

In looking at the regulations of a number of communities that have adopted short-term rental regulations, it is clear that there is no "one size fits all" solution. There are a variety of issues to consider when looking at short-term rentals. Should the use be allowed and what are the impacts of allowing or disallowing the use? What land use controls should be considered? Should a permit be required and, if so, what's the process? Anecdotally, the experience of other jurisdictions suggests that if the regulations are onerous and restrictive, compliance is compromised.

Based on the experiences of other cities, staff interviews with the stakeholder group, and assessing the potential impacts and opportunities, staff recommends that STRs be permitted subject to certain use standards and permit requirements. The use standards will serve to maintain the residential character of neighborhoods. At the same time, allowing the use could have positive benefits by providing additional lodging options for visitors, providing residents the ability to augment their household income, and increasing TOT proceeds. More tourist activity supports jobs and contributes to the local tax base.

The discussion draft ordinance differentiates between a “Hosted Homestay” and a “Vacation Rental.” There are a number of differences, including property owner residency requirements, limitation on the number of rooms to be rented, and the number of days that rental activity could occur. Under the draft ordinance, Hosted Homestays would be allowed subject to obtaining a Zoning Clearance issued by the Development Services Department Director (Director). A Vacation Rental would be subject to approval of a Site Development Permit issued by the Director (the same process currently required for Bed and Breakfast establishments). The proposed ordinance allows the short-term rental-use in single-family dwellings within all zoning districts.

The following provides a summary of the draft provisions:

Hosted Homestays

Hosted Homestays would be subject to the following regulations:

- No more than one dwelling unit on a lot could be utilized for the use.
- A maximum of 2 rooms could be made available for rent at any time.
- Occupancy could not exceed two adults per rented room.
- Room rental would be limited to a maximum of 120 days per calendar year.
- The property owner would be required to be present during the rental period.
- Guests would be required to park on-site in the driveway or other on-site designated parking area.
- The property owner must certify that all applicable building, health, fire, and related safety codes have been met.
- Emergency evacuation instructions and “house policies” will be posted within each room. The “house policies” shall address such things as guest parking and “quiet hours.”
- Non-owner related special events such as weddings, parties, and other similar events would be prohibited.
- Signage related to the short-term rental use would be prohibited.
- Homeowners will be advised to contact their insurance agent regarding requirements to carry fire, hazard, and liability insurance.
- A City business license, payment of transient occupancy taxes, and an accounting of the number of guest stays is required to provide a measure of accountability and to allow the City to determine whether the STR is in compliance with the above limitations. Any advertising related to the short-term rental would include the transient occupancy tax number assigned to the property owner for tracking purposes.
- The permit would not be non-transferable to another owner or property.

The property owner would be required to sign and submit an affidavit (example attached) acknowledging these requirements. Failure to abide by them would be addressed as a Zoning Code violation. This is the same process used for “home occupations” that was successfully implemented about 20 years ago. Existing Hosted Homestay establishments would be required to obtain approval to operate by submitting the required application and affidavit. A fee to cover processing costs would be established by the City Council.

Vacation Rentals

Vacation Rentals would be subject to most of the same regulations as a Hosted Homestay, with the following exceptions:

- A site development permit would have to be approved by the Director. The site development permit process requires that notices be sent to property owners within 300 feet of the subject property alerting neighbors to the proposed use and affording them an opportunity to comment on the application. This is the same process currently used for B&B establishments in the City. The determination of the Director may be appealed to the Board of Administrative Review (BAR). Existing Vacation Rentals would be required to apply for a site development permit. An option to consider is to require that the BAR approve the Site Development permit, rather than the Director.
- The property owner would not be required to be present for the duration of the rental period.
- The Vacation Rental would not be subject to the maximum number of occupants or number of rental days per calendar year, although a cap on these could be established by the site development permit.
- The residence could not be rented to multiple parties at any time (i.e., the entire residence must be rented to single family or group of people).

The draft regulations represent staff's and the stakeholders' efforts to balance competing interests related to short-term rentals. Staff anticipates that the workshop will bring up additional items that may need to be addressed or that certain provisions of the draft regulations will need to be discussed. Among these are the following:

- Proposed authorization/permit process.
- Occupancy limits (number of rooms; occupants per room).
- Limitations on number of rental days for Hosted Homestays and/or establishing limits for Vacation Rentals.
- Parking requirements.
- Proximity limitations (i.e., establishing a minimum distance between STRs).

CONCLUSION AND RECOMMENDATION

Redding is not alone in its current restrictions on STRs in single-family neighborhoods which seem to have their genesis in the "model" zoning codes that were adopted in the 1950s. In fact, since at least 1956, with the exception of B&Bs beginning in the mid 1980s, Redding's Zoning Code has prohibited STRs in single-family districts. Staff feels that with the changes in technology and culture, it is appropriate to be proactive and to try to reach a community consensus on the STR issue. Staff anticipates that, after receiving public input, the Commission will provide direction to staff on the specific regulations and next steps it would like staff to take on this topic.

ATTACHMENTS

- Draft New Ordinance
- Hosted Homestay Affidavit
- Short-Term Rental Memo – April 14, 2015
- Issue Paper
- Issue Table

KM:et

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CHAPTER 18.43.180
SHORT-TERM RENTALS

Section 18.43.180

- A. Purpose
- B. Types of Short Term Rentals
- C. Short-term Rental Permit Requirements
- D. Districts in Which Permitted
- E. General Requirements – Hosted Homestay
- F. General Requirements – Vacation Rentals
- G. Application Required
- H. Violations/Revocation

A. Purpose

The purpose of this Section is to establish an appropriate permitting process and standards for short-term rental of single family dwellings; to provide a visitor experience and accommodation as an alternative to the typical hotel, motel, and bed and breakfast accommodations customarily permitted in the city; to minimize potential negative secondary effects of short-term rental use on surrounding residential neighborhoods; to retain the character of the neighborhoods in which any such use occurs; and ensure the payment of required transient occupancy taxes.

B. Types of Short Term Rentals.

For purposes of this Section, the following Short-Term Rental facilities are established:

1. **Hosted Homestay.** An owner occupied single family dwelling unit where, for compensation, individual overnight room accommodations are provided for a period of less than 30 days and the rental of room(s) within the dwelling is at a scale where, for all practical purposes, the residence cannot be differentiated from other, non home-stay residences, in the neighborhood.
2. **Vacation Rental.** An entire dwelling unit where, for compensation, overnight accommodations are provided for a period of less than 30 days and the owner does not reside within the dwelling unit for the term of the rental.

C. Short-term rental permit requirements.

No person shall use any dwelling unit on any parcel in any zoning district for short-term rental purposes without first obtaining approval as required by this Section. The following approval process is established:

1. Hosted Homestay: This use is permitted within all zoning districts subject to obtaining a Zoning Clearance from the Director and providing an affidavit certifying that the owner understands and agrees to the requirements of this

ITEM 5a
ATTACHMENT A

Section. Applicants may be required to provide a site plan or other information determined necessary by the Director to determine compliance with this Section and shall pay an application fee as may be established by resolution of the City Council.

2. Vacation Rental: Site Development Permit issued by the Director in accordance with the provisions of Chapter 18.11, Common Procedures and Chapter 18.13, Site Development Permits of this Code.

D. Districts in which permitted.

The regulations of this chapter apply to short-term rentals in all zoning districts.

E. General Requirements- Hosted Homestay.

1. No more than one dwelling unit on a lot may be used at any one time for short term rental purposes.
2. A maximum of two rooms may be available for rent at any time.
3. Occupancy shall be limited to a maximum of two adults per rented room. Room rental shall be limited to a maximum of 120 rental days per calendar year.
4. The property owner must occupy the residence at all times when rooms are being provided for rent.
5. A minimum of one on-site parking space shall be provided for each rental room. This shall be in addition to the two spaces required for the dwelling by Chapter 18.41. Guest parking spaces may be within the primary driveway of the residence. Guest's vehicles shall not be parked on the street overnight. External changes to a property such as converting significant areas of front yard landscape for purposes of meeting parking requirements is not allowed.
6. Short-term rentals shall meet all applicable building, health, fire and related safety codes at all times, including provision of working smoke and carbon monoxide detectors.
7. The owner shall post emergency evacuation instructions and "house policies" within each guest bedroom. The house policies shall be included in the rental agreement, and shall be enforced by the owner. At a minimum, the house policies should:
 - a. Reinforce the City of Redding's Noise Standards (RMC Section 18.40.100) by establishing outdoor "quiet hours" to minimize disturbance to neighboring residences.
 - b. Require that guest vehicles be parked on the premises, not the street in compliance with this Section.

8. The property shall not be used to host non-owner related weddings, parties, and other similar events.
9. On-site advertising signs or other displays indicating that the residence is being utilized as a short term rental, is prohibited.
10. A City business license shall be obtained and transient occupancy taxes paid in accordance with Chapter 4.12 as required. All advertising for any short-term rental shall include the transient occupancy tax number assigned to the owner-applicant. With submittal of transient occupancy taxes, the operator shall also submit a statement indicating the number of guest stays, and the number of guests for the reporting period.
11. The permit is not transferrable to a subsequent property owner or to another property.

F. General Requirements- Vacation Rentals.

1. With the exception of items 1 through 4 listed in Section 18.43.180(E.) above, the General Requirements provisions for Hosted Homestays shall apply to Vacation Rentals.
2. The following additional provisions shall also be applicable to Vacation Rentals which may be supplemented by requirements established by the Director with approval of the required Site Development Permit as necessary to maintain compatibility of the use with the surrounding properties.
 - a. A Vacation Rental shall not be rented to multiple tenants at any time.
 - b. The owner/applicant shall keep on file with the city the name, telephone number, and email address of a local contact person who shall be responsible for responding to questions or concerns regarding the operation of the short-term rental. This information shall be posted in a conspicuous location within the short-term rental dwelling. The local contact person shall be available twenty-four hours a day to accept telephone calls and respond physically to the short-term rental within sixty (60) minutes, if necessary.
 - c. Depending of the physical nature of the property and surrounding properties, the Director may allow, with approval of the site development permit, on-street guest parking.

G. Application Required

Where a Site Development Permit is required by this Section, applicants for a short-term rental use shall apply for a permit in accordance with the provisions of Chapter 18.11, Common Procedures, and shall pay the application fee established by resolution of the City Council.

H. Violations/Revocations.

Enforcement of the provisions of this Section may include the issuance of a citation and fine, or other legal remedy as provided by Chapter 1.12 of the Redding Municipal Code. Upon notification by the City, any short term rental operating in violation of the requirements of this Section must terminate operations immediately. Further, a Site Development Permit issued under the authority of this Section may be revoked in accordance with the procedures established in Chapter 18.11, Common Procedures.

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HOSTED HOMESTAY AFFIDAVIT



City of Redding
777 Cypress Avenue
Redding CA 96001
Telephone:
(530) 225-4020
FAX: (530) 225-4495

Packet Pg. 19

Name: _____
Last *First*

Address: _____ Zip Code: _____

Home Phone: _____ Cell: _____

Email: _____

The City of Redding recognizes that some property owners may desire to use their home to provide short term lodging for overnight guests as an alternative to the typical hotel, motel, and bed and breakfast accommodations customarily available to Redding visitors. To that end, limited overnight room accommodations are allowed in owner-occupied single family residences, subject to the limitations established in Section 18.43.180 of the Zoning Code and as delineated below.

Hosted Homestays in single family residences are permitted within all zoning districts subject to the following performance criteria:

1. No more than one dwelling unit on a lot may be used at any one time for short term rental purposes.
2. A maximum of two rooms may be available for rent at any time.
3. Occupancy shall be limited to a maximum of two adults per rented room. Room rental shall be limited to a maximum of 120 rental days per calendar year.
4. The property owner must occupy the residence at all times when rooms are being provided for rent.
5. A minimum of one on-site parking space shall be provided for each rental room. This shall be in addition to the two spaces required for the dwelling by Chapter 18.41. Guest parking spaces may be within the primary driveway of the residence. Guest's vehicles shall not be parked on the street overnight. External changes to a property such as converting significant areas of front-yard landscape for purposes of meeting parking requirements is not allowed.
6. Short-term rentals shall meet all applicable building, health, fire and related safety codes at all times, including provision of working smoke and carbon monoxide detectors.
7. The owner shall post emergency evacuation instructions and "house policies" within each guest bedroom. The house policies shall be included in the rental agreement, and shall be enforced by the owner. At a minimum, the house policies should:
 - a. Reinforce the City of Redding's Noise Standards (RMC Section 18.40.100) by establishing outdoor "quiet hours" to minimize disturbance to neighboring residences.
 - b. Require that guest vehicles be parked on the premises, not the street in compliance with this Section.
8. The property shall not be used to host non-owner related weddings, parties, and other similar events.
9. On-site advertising signs or other displays indicating that the residence is being utilized as a short term rental,

ITEM 5a
ATTACHMENT B

is prohibited.

- 10. A City business license shall be obtained and transient occupancy taxes paid in accordance with Chapter 4.12 as required. All advertising for any short-term rental shall include the transient occupancy tax number assigned to the owner-applicant. With submittal of transient occupancy taxes, the operator shall also submit a statement indicating the number of guest stays, and the number of guests for the reporting period.
- 11. The permit is not transferrable to a subsequent property owner or to another property.

Note: *In addition to the above, the City advises that short term rental owners/operators determine whether the use is prohibited by any conditions, covenants, and restrictions (CC&R's) applied to the property and whether liability and/or other insurance for the use is required by their insurance company.*

Hosted Homestay operators found to be in violation of the above provisions and/or other provisions of the Redding Municipal Code may be subject to a citation and fine or other legal remedy.

I hereby certify that I have read and understand the above-listed restrictions pertaining to the establishment of a Hosted Homestay at _____
(address)

I further agree to abide by the performance criteria listed above.

Signed

Date

CITY OF REDDING



DEVELOPMENT SERVICES DEPARTMENT

PLANNING DIVISION

777 Cypress Avenue, Redding, CA 96001-271

P.O. Box 496071, Redding, CA 96049-6071

530.225.4020 FAX 530.225.4495

Packet Pg. 21

ADDENDUM TO A MITIGATED NEGATIVE DECLARATION

Addendum to a Mitigated Negative Declaration For Amendment of Section 18.43 of the Redding Municipal Code by Adding Section 18.43.180 pertaining to Short-Term Rentals.

SUBJECT

Amend Zoning Code Section 18.43, to add provisions regulating Short-Term Rentals.

PROJECT DESCRIPTION

The recent increase in room and home rentals in single-family neighborhoods on a short-term basis (30 days or less), facilitated by internet sites such as Airbnb, VRBO, and others, has resulted in a corresponding number of properties operating short term rentals in violation of current City Zoning requirements. Recognizing the popularity of this these type of rental opportunities, the City is considering establishing regulations to ensure that such use of property is compatible with surrounding single family residential uses. The proposed regulations address length of stay, maximum occupancy, parking, commercial uses, and other associated issues.

ENVIRONMENTAL SETTING

The ordinance amendment pertains to properties Citywide.

DETERMINATION

The City of Redding previously prepared an Initial Study, and Mitigated Negative Declaration, for the adoption of the Zoning Code. These documents were adopted on October 1, 2002. Based upon a review of the current amendments to the project, it has been determined that an addendum is appropriate because the additions are minor, and *none* of the following conditions (pursuant to CEQA Section 15162) have occurred:

1. Substantial changes are proposed for the project that will require major revision of the previous Mitigated Negative Declaration due to new, significant environmental effects or a substantial increase in the severity of previously identified effects.

- 2. Substantial changes occur with respect to the circumstances under which the project is undertaken that involve new, significant environmental effects or a substantial increase in the severity of previously identified effects.
- 3. New information of substantial importance indicates that:
 - a. The project will have one or more significant effects not discussed in the previous Mitigated Negative Declaration.
 - b. Significant effects previously examined will be substantially more severe than shown in the previous Mitigated Negative Declaration.
 - c. Mitigation measures previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt them.
 - d. Mitigation measures that are considerably different from those analyzed in the previous Mitigated Negative Declaration would substantially reduce one or more significant effects, but the project proponents decline to adopt them.

FINDINGS

- 1. *The City of Redding has determined that an addendum is warranted, finding that none of the above conditions are in evidence and that there is no substantial evidence, in light of the whole record before the City, that the amendment proposal will have a significant effect on the environment.*
- 2. *The Addendum to the Mitigated Negative Declaration, with its supporting documentation (Initial Study), reflects the independent judgment and analysis of the City of Redding.*

MITIGATION MEASURES

The mitigation measures reflected in the original Mitigation Monitoring Program need not be altered.

PUBLIC REVIEW DISTRIBUTION

Pursuant to Section 15164(c) of CEQA, an addendum does not require circulation for public review.

Copies of the Addendum, the Mitigated Negative Declaration, and related materials may be obtained at the Planning Division of the Development Services Department, City of Redding, 777 Cypress Avenue, Redding, CA 96001. Contact Planning Manager, Kent Manuel, at (530) 225-4029.

10-8-15
Date

Kent Manuel
Kent Manuel
Planning Manager

KM:et
Envirdoc\Addndm\MND-RZ-2015-2015-00904-ShortTermRentals

SHORT TERM RENTAL/B&B COMPARISON

Requirement/Limitations	Hosted Homestay	Vacation Rental	Bed and Breakfast
Rental Days	120	Per Site development Permit	None*
Persons	2 adults per room	Per Site development Permit	None*
No. of Rooms	2	Per Site development Permit**	5**
Owner Occupied	Yes	No	Yes in SFR; No in MFR
Off street Parking	1 per room; no on-street parking	1 per room; no on-street parking	None *
Site Development Permit required?	No	Yes	Yes
Pay TOT	Yes	Yes	Yes

*Not directly addressed in the Zoning Code. Could be a requirement of Site Development Permit

**Fire Code requirements for 14 or more persons

REDDING ZONING ORDINANCE

18.43.060 Bed and Breakfast Inns

Bed and breakfast inns (B&Bs) are subject to the requirements of this section. The intent of these provisions is to ensure compatibility between the B&B and the residential zoning district in which it is located. A site development permit issued by the Director is required to establish a B&B in a residential district.

- A. **Number of Rooms.** No more than 5 rooms for rent may be allowed within any "RL," "RE," "RS," or "RM" District.
- B. **Appearance.** If a residence is converted to a B&B in an "RL," "RE," or "RS" District, the exterior appearance of the structure shall be of a residential nature and shall not be significantly altered from its original character.
- C. **Limitation on Services Provided.** Meals shall be limited to overnight guests. There shall be no separate or additional kitchens for guests.
- D. **Health Department Permit Required.** A site development permit shall not be issued without clearance from the Shasta County Health Department.
- E. **Owner Residence Required.** The establishment in any "RL," "RE," or "RS" District shall be occupied by the owner of the property.
- F. **Signs.** Signs shall be limited to one on-site nonilluminated sign not to exceed 4 square feet in area and shall be installed and maintained in compliance with Chapter 18.42, Signs.
- G. **Review and Revocation.** The use is subject to review at any time and can be revoked after a hearing and finding by the Planning Commission that the use is detrimental to the neighborhood. Revocation proceedings shall be conducted in accordance with Chapter 18.11, Common Procedures.