ORDINANCE NO. 19-0007

AN ORDINANCE OF THE CITY OF MANHATTAN BEACH AMENDING THE MANHATTAN BEACH MUNICIPAL CODE TO: (1) REINFORCE THE EXISTING SHORT-TERM RENTAL PROHIBITION; AND (2) ESTABLISH A VERY LIMITED EXCEPTION TO ALLOW AN OWNER OCCUPANT TO RENT HIS OR HER PROPERTY ON A SHORT-TERM BASIS THREE TIMES A YEAR FOR A PERIOD OF MORE THAN SEVEN DAYS AND LESS THAN 30 DAYS

RECITALS

A. At all times relevant, the Manhattan Beach Zoning Ordinance has never expressly permitted short-term rentals of residential property, except for property located in commercial zones. Accordingly, short-term rentals in residential zones are prohibited because Manhattan Beach has a "permissive" Zoning Code, where any use not enumerated in the Zoning Code is presumptively prohibited.

B. In 2015, the City considered permitting transient uses such as short-term rentals in residential zones. After conducting a duly noticed public hearing, the Planning Commission recommended to the City Council that it adopt an ordinance allowing transient uses on a limited basis.

C. After considering public testimony opposed to allowing short term rentals on even a limited basis, the City Council adopted an ordinance expressly prohibiting all transient uses in residential zones.

D. At this time, the Council wants to: reinforce the existing prohibition of short term rentals; increase the enforcement efforts and penalties associated with non-compliance with the Zoning Code; and allow the rental of owner occupied single family residences on a short-term basis under very limited circumstances.

E. Currently with the adoption of this Ordinance No. 19-0007, the City Council has adopted Resolution No. 19-0011 to increase the penalties for violations of the Municipal Code provisions amended herein.

NOW THEREFORE, THE MANHATTAN BEACH CITY COUNCIL ORDAINS AS FOLLOWS:

<u>SECTION 1</u>. On January 15, 2019 and March 6, 2019, the City Council conducted duly noticed public hearings regarding amending the Zoning Code regarding the rental of residential property for periods less than 30 days.

<u>SECTION 2</u>. The Zoning Code Amendments set forth hereinbelow are consistent with the Manhattan Beach General Plan and implement the following General Plan Goals and Policies:

Land Use Element Goal LU-1: Maintain low-profile development and small-town atmosphere of Manhattan Beach.

Land Use Element Goal LU-5: Protect residential neighborhoods from the intrusion of inappropriate and incompatible uses.

Land Use Element Goal LU-6: Maintain the viability of the commercial areas of Manhattan Beach.

<u>SECTION 3</u>. The City Council hereby amends Manhattan Beach Municipal Code (MBMC) Section 10.12.020 (Residential Land Use Regulations) to add additional regulations to 10.12.020 - Land use regulations: RS, RM, RH, RPD, and RSC districts.

RS, RM, RH, RPD, USE I	SC DISTRI	 P — Permitted PDP — Precise Development Plan SDP — Site Development Permit U — Use Permit L — Limited, (See additional use regulations) - — Not Permitted 				
	RS	RM	RH	RPD	RSC	Additional Regulations
Residential Uses						(A)
Single-family Transient Use	-	-	-	-	-	L-25, Q

<u>SECTION 4</u>. The City Council hereby amends MBMC Section 10.12.020 (Residential Land Use Regulations) to add Additional Regulation L-25 regulating "Single-Family Transient Use" in designated residential zones, to read as follows:

"RS, RM, RH, RPD, and RSC Districts: Additional Use Regulations:

L-25 It shall be unlawful for any person or entity to: offer or make available for rent or to rent (by way of a rental agreement, lease, license or any other means, whether oral or written) for compensation or consideration a residential dwelling, a dwelling unit or a room in a dwelling for less than 30 consecutive days; occupy a residential dwelling, a dwelling unit or a room in a dwelling for less than 30 consecutive days pursuant to a rental agreement, lease, license or any other means, whether oral or written, for compensation or consideration; or maintain any advertisement of a residential dwelling, a dwelling unit or a room in a dwelling for less than 30 consecutive days. The provisions in this Section L-25 do not apply to any owner occupant who rents his or her primary residence in conformance with the regulations set forth in Section 10.12.020 (Q)."

<u>SECTION 5</u>. The City Council hereby amends MBMC Section 10.12.020 to add "Q" to read as follows:

"(Q) The homeowner of an owner-occupied primary residence may rent his or her home to guests for less than 30 consecutive days a maximum of three times per year with a minimum stay of seven consecutive days per stay, provided the homeowner has obtained a permit from the City's Licensing Authority for each stay prior to the stay. Each permit shall be valid for the number of consecutive days (less than 30) specified by the resident homeowner and may include standard regulations. "Owner-occupied primary residence" is defined as a single-family dwelling unit in which the property owner lives as a resident at the dwelling unit for at least 270 days per year. This exception does not apply to the RSC Residential Senior Citizen zone."

<u>SECTION 6</u>. The City Council hereby amends MBMC Section 10.16.020 (Commercial Land Use Regulations) to: insert a new row immediately after the "**Single Family Residential**" row, titled "Single-Family Transient Use" as shown below:

Residential	CL	CC	CG	CD	CNE	Additional Regulations
Single-Family Transient Use		-	-	-	-	L-25, O

<u>SECTION 7</u>. The City Council hereby amends MBMC Section 10.16.020 to add Additional Regulation L-25 regulating "Single-Family Transient Use" in commercial zones, to read as follows:

"CL, CC, CG, CD, and CNE Districts: Additional Use Regulations:

L-25 It shall be unlawful for any person or entity to: offer or make available for rent or to rent (by way of a rental agreement, lease, license or any other means, whether oral or written) for compensation or consideration a residential dwelling, a dwelling unit or a room in a dwelling for less than 30 consecutive days; occupy a residential dwelling, a dwelling unit or a room in a dwelling for less than 30 consecutive days; pursuant to a rental agreement, lease, license or any other means, whether oral or written, for compensation or consideration; or maintain any advertisement of a residential dwelling, a dwelling unit or a room in a dwelling.

do not apply to any owner occupant who rents his or her primary residence in conformance with the regulations set forth in Section 10.16.020 (O)."

<u>SECTION 8</u>. The City Council hereby amends MBMC Section 10.16.020 to add "O" to read as follows:

"(O) The homeowner of an owner-occupied primary residence may rent his or her home to guests for less than 30 consecutive days a maximum of three times per year with a minimum stay of seven consecutive days per stay, provided the homeowner has obtained a permit from the City's Licensing Authority for each stay prior to the stay. Each permit shall be valid for the number of consecutive days (less than 30) specified by the resident homeowner and may include standard regulations. "Owner-occupied primary residence" is defined as a single-family dwelling unit in which the property owner lives as a resident at the dwelling unit for at least 270 days per year."

SECTION 9. Violations, Penalties and Enforcement. Violations of this Ordinance are subject to the penalty provisions set forth in Municipal Code Chapters 1.04 and 1.06, and Resolution 19-0011. At the discretion of the City Prosecutor, a violation of this Ordinance may be prosecuted as an infraction or misdemeanor. In addition, the City may issue an administrative citation pursuant to Municipal Code Chapter 1.06 for any violation of this Ordinance. Any violation of this Ordinance constitutes a nuisance and may be abated by the City through civil process by means of restraining order, preliminary or permanent injunction or in any other manner provided by law for the abatement of such nuisances. In any civil action brought pursuant to this Ordinance, a court of competent jurisdiction may award reasonable attorneys' fees and costs to the prevailing party. In the event of any conflict between the penalties enumerated in Municipal Code Chapter 1.06, and any penalties set forth in state law, the maximum penalties allowable under state law shall govern."

<u>SECTION 11</u>. <u>CEQA</u>. The City Council finds that it can be seen with certainty that there is no possibility that the adoption of this Ordinance and the establishment of the regulations hereby will have a significant effect on the environment. This Ordinance does not have the potential for causing such effects as it is a mechanism to ensure the collection of transient occupancy taxes, institutes a permit requirement to regulate the rental of homes on a short-term basis, and imposes limitations on such rentals in the City. This Ordinance will serve to reduce potential significant adverse environmental effects. The Ordinance is therefore exempt from review under the California Environmental Quality Act, pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations.

<u>SECTION 12</u>. If any sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining provisions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each sentence, clause or phrase thereof irrespective of the fact that any one or more sentences, clauses or phrases be declared unconstitutional or otherwise invalid. <u>SECTION 13</u>. Any provisions of the Manhattan Beach Municipal Code, or appendices thereto, or any other resolution or ordinance of the City, to the extent that they are inconsistent with this Ordinance, and no further, are hereby repealed, and the City Clerk shall make any necessary changes to the Municipal Code for internal consistency.

<u>SECTION 14</u>. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be published within 15 days after its passage, in accordance with Section 36933 of the Government Code.

PASSED, APPROVED AND ADOPTED _____.

AYES:

NOES:

ABSENT:

ABSTAIN:

STEVEN A. NAPOLITANO Mayor

ATTEST:

LIZA TAMURA City Clerk

APPROVED AS TO FORM:

QUINN M. BARROW City Attorney