ORDINANCE NO. 19-0001

AN ORDINANCE OF THE CITY OF MANHATTAN BEACH AMENDING MANHATTAN BEACH MUNICIPAL CODE CHAPTERS 10.12 (RESIDENTIAL DISTRICTS) AND 10.16 (COMMERCIAL DISTRICTS) AND RELATED PROVISIONS OF THE MANHATTAN BEACH MUNICIPAL CODE TO REGULATE SHORT-TERM RENTALS

THE MANHATTAN BEACH CITY COUNCIL ORDAINS AS FOLLOWS:

<u>SECTION 1.</u> After conducting a duly noticed public hearing, the Planning Commission recommended to the City Council that it adopt an ordinance allowing transient uses such as short-term rentals on a limited basis. On January 15, 2019, the City Council conducted a duly noticed public hearing regarding the proposed Zoning Code Amendments.

<u>SECTION 2</u>. The proposed Zoning Code Amendments 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.

- SECTION 3. The City Council hereby amends MBMC Section 10.08.030 by adding "H. Short-Term Rental, Hosted" and "I. Short-Term Rental, Un-Hosted" to the list of residential use classifications permitted in the designated residential zones as follows, and directs the City Clerk to re-letter the existing sections that follow the new "I."
- "H. **Short-Term Rental, Hosted Stay.** An accessory transient use of a single dwelling unit or portion of a single dwelling unit in an owner-occupied primary residence for less than 30 days. "Owner occupied-primary residence" is defined as a dwelling unit where the property owner lives in the dwelling unit for at least 270 days a year. The property owner must continue to reside in the dwelling unit throughout the lodger's stay (except during daytime and/or work hours)."
- "I. **Short-Term Rental, Un-Hosted Stay.** An accessory transient use of a dwelling unit or portion of a dwelling unit in an owner-occupied primary residence for less than 30 days. "Owner occupied-primary residence" is defined as a dwelling unit where the property owner lives in the dwelling unit for at least 270 days a year. The property owner does not have to be present during the lodger's stay."

SECTION 4. The City Council hereby amends MBMC Section 10.12.020

(Residential Land Use Regulations) to: (a) delete "Multi-Family Transient Use"; (b) amend "Single-family Transient Use" to be permitted in the RS, RM, RH, and RPD zones; and (c) add "Short-Term Rental, Hosted" and "Short-Term Rental, Unhosted", as shown below: "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)
Short-Term Rental, Hosted	Р	Р	Р	Р	-	L-25
Short-Term Rental, Unhosted	-	-	-	-	-	
Single-Family Transient Use	Р	Р	Р	Р	-	L-25

<u>SECTION 5</u>. The City Council hereby amends MBMC Section 10.12.020 to add Additional Regulation L-25 regulating "Short-Term Rental, Hosted" and "Single-Family Transient Use" in designated residential zones, to read as follows:

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

L-25 Short-term rentals shall not be allowed in multi-family residential properties with four or more dwelling units. The lodger(s) shall be a single housekeeping unit as defined in Section 10.04.030. Short-term rentals shall not be allowed in Accessory Dwelling Units (ADUs) as defined in Section 10.74.020. Prior to such rental, the property owner shall obtain a business license pursuant to Chapter 6.01 and a permit to operate a short-term rental. Further, each housekeeping unit shall pay, and each property owner operating the short-term rental shall remit to the City, a uniform occupancy tax in the amount and manner set forth in Chapter 8.20 for each lodging."

SECTION 6. The City Council hereby amends MBMC Section 10.16.020

(Commercial Land Use Regulations) to: a) insert two new rows, "Short-Term Rental, Hosted" and "Short-Term Rental, Unhosted", between "Day Care, Large Family Home" and "Single-Family Residential"; and b) 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
Short-Term Rental- Hosted	Р	-	-	Р	Р	L-25
Short-Term Rental- Unhosted	Р	-	-	Р	Р	L-25
Single-Family Transient Use	Р	-	-	Р	Р	L-25

"

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

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

L-25 Short-term rentals shall not be allowed in multi-family residential properties with four or more dwelling units. The lodger(s) shall be a single housekeeping unit as defined in Section 10.04.030. Short-term rentals shall not be allowed in Accessory Dwelling Units (ADUs) as defined in Section 10.74.020. Prior to such rental, the property owner shall obtain a business license pursuant to Chapter 6.01 and a permit to operate a short-term rental. Further, each housekeeping unit shall pay, and each property owner operating the short-term rental shall remit to the City, a uniform occupancy tax in the amount and manner set forth in Chapter 8.20 for each lodging."

<u>SECTION 8.</u> The City Council hereby amends MBMC Section 10.08.070 to define the rental of residential property for less than 30 days as an accessory use, to read as follows:

"Accessory Uses and Structures. Uses and structures that are incidental to the principal permitted or conditionally permitted use or structure on a site and are customarily found on the same site. This classification includes detached or attached garages, guest houses and second units as provided in Section 10.52.050, transient uses, including short-term rentals, as provided in Sections 10.08.030 and 10.12.020, and home occupations."

<u>SECTION 9</u>. The City Council hereby adds the following parking requirements to the end of the "Residential Uses" portion of the table of uses set forth in MBMC Section 10.64.030:

"

Transient Use, Including Short-Term Rental	1 space. During the application review period, the Director may require additional parking for transient uses, including short-term rentals. The primary use's on-site enclosed and/or unenclosed parking may be used to satisfy the short-term rental's parking requirement.
	parking requirement.

SECTION 10. 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. 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 1.04 and established by the City Council pursuant to Municipal Code Chapter 1.06, and any penalties set forth in state law, the maximum penalties allowable under state law shall govern."

SECTION 11. CEQA. 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.

SECTION 13. 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	O AND ADOPTED	
AYES:		
NOES:		
ABSENT:		
ABSTAIN:		
	STEVEN A. NAPOLITANO Mayor	
ATTEST:		
LIZA TAMURA City Clerk		
APPROVED AS TO FORM:		
QUINN M. BARROW		
City Attorney		