AN ORDINANCE OF THE CITY OF MANHATTAN BEACH AMENDING LOCAL COASTAL PROGRAM SECTIONS A.04.030, A.08.030, A.08.070, A.12.020, A.16.020, AND A.64.030, TO REGULATE SHORT-TERM RENTALS, AND MAKE CERTAIN DEFINITIONS CONFORM TO EXISTING MUNICIPAL CODE DEFINITIONS

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 Local Coastal Program Amendments.

<u>SECTION 2</u>. The proposed text amendments are consistent with the following Local Coastal Program Policies:

Coastal Locating and Planning New Development Policy II.1: Control Development within the Manhattan Beach coastal zone.

<u>SECTION 3</u>. The City Council hereby amends Local Coastal Program Section A.08.030 by adding "Short-Term Rental, Hosted", "Short-Term Rental, Un-Hosted", and "Single-Family Transient Use" 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 "G."

"G. <u>Short-Term Rental, Hosted Stay</u>. 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)."

"H. <u>Short-Term Rental, Un-Hosted Stay</u>. 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."

"I. <u>Single-Family Transient Use</u>. Rental or lease of a single-family dwelling unit for a period of less than thirty (30) days.

<u>SECTION 4</u>. The City Council hereby amends Local Coastal Program Section A.12.020 (Residential Land Use Regulations) to add "Short-Term Rental, Hosted", "Short-Term Rental, Unhosted", and "Single-Family Transient Use" as shown below:

Residential Uses	RM	RH	Additional Regulations
Short-Term Rental- Hosted	Р	Ρ	L-25, (P)
Short-Term Rental- Unhosted	-	-	
Single-Family Transient Use	Р	Р	L-25, (P)

<u>SECTION 5</u>. The City Council hereby amends Local Coastal Program Section A.12.020 to add Additional Regulation L-25 and P regulating "Short-Term Rentals, Hosted" and "Single Family Transient Uses" in designated residential zones, to read as follows:

"RM and RH 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 A.04.030. Prior to such rental, the property owner shall obtain a business license pursuant to Chapter 6.01 of the Manhattan Beach Municipal Code 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 of the Manhattan Beach Municipal Code for each lodging."
- "(P) Each single-family residential and multi-family residential dwelling unit may only be occupied by a single housekeeping unit as defined in Section A.04.030, except as provided in Section A.08.030."

<u>SECTION 6.</u> The City Council hereby amends Local Coastal Program Section A.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	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 Local Coastal Program Section A.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, 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 A.04.030. Prior to such rental, the property owner shall obtain a business license pursuant to Chapter 6.01 of the Manhattan Beach Municipal Code 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 of the Manhattan Beach Municipal Code for each lodging."

<u>SECTION 8.</u> The City Council hereby amends Local Coastal Program Section A.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 A.52.050, transient uses, including short-term rentals, as provided in Sections A.08.030 and A.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 Local Coastal Program Section A.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.
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SECTION 10. Local Coastal Program Section A.04.030 (Definitions) is hereby amended to conform the following definitions with existing definitions in the Manhattan Beach Municipal Code, with all other portions of Local Coastal Program Section A.04.030 remaining in effect without amendment by: (a) amending "Family" to read as follows: "Family: A single individual or two (2) or more persons living together as a single housekeeping unit in a dwelling unit"; and (b) inserting "Single Housekeeping Unit" between the existing defined terms "Sexual Activities, Specified" and "Single Ownership" to read as follows: "Single Housekeeping Unit: A traditional family or the functional equivalent of a traditional family, whose members are a nontransient interactive group of one (1) or more persons, where if consisting of more than one (1) person, such persons jointly occupy a single dwelling unit, jointly use common areas, share household activities and responsibilities (e.g., meals, chores, and expenses), and where, if the unit is rented, leased, or subleased all adult members living on the premises jointly agree to occupy and be responsible for the entire premises of the dwelling unit under a single written rental agreement or lease and the makeup of the household occupying the unit is determined by the residents of the unit rather than the landlord or property manager."

<u>SECTION 11</u>. <u>Violations, Penalties and Enforcement</u>. 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 1.06, and any penalties set forth in state law, the maximum penalties allowable under state law shall govern."

<u>SECTION 12</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 13</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 14</u>. Any provisions of the Local Coastal Program, 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 Local Coastal Program for internal consistency.

<u>SECTION 15</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.

<u>SECTION 16</u>. This Ordinance shall go into effect and be in full force and effect after certification by the California Coastal Commission.

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