

Short Term Rental Ordinance Article XI of Chapter 16 and Section 17-53 of Chapter 17

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City Council
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Purpose of Agenda Item

- Seek City Council approval of Ordinances that would regulate Short Term Vacation Rentals (STRs) in the City of Oxnard consistent with the recommendations of the City Council Housing and Economic Development Committee

Summary of Outreach Efforts

1. March 2016: online community survey
2. August 16, 2016: community workshop
3. November 3, 2016: Planning Commission study session
4. June 1, 2017: Planning Commission public hearing
5. February 26, 2019: Housing and Economic Development Committee (HEDC) meeting
6. March 25, 2019: City Council special meeting
7. July 9, 2019: HEDC meeting
8. August 1, 2019: Planning Commission public hearing
9. September 24, 2019: HEDC meeting

Summary of Key Ordinance changes from the Sept 24th HEDC Meeting

Staff's Recommendation:

1. Add 100-foot separation between STRs
2. Add 5% cap in the R-BF zone
3. Limit annual STR rental days to 100 days
4. Require property manager/owner to be within 25 miles of the STR
5. Prohibit outdoor amplified music during quiet hours
6. Include number of on-site parking space in STR ads
7. Increase fines to \$1,000 (1st violation), \$2,000 (2nd violation), and \$3,000 and revocation (3rd violation).
Unpermitted STRs would incur a \$5,000 fine.
8. Prohibit STRs in the Colony.

Summary of recommendations (part 1)

The table summarizes recommendations made at the recent public meetings and adjustments made to the ordinances.

	Staff Recommended July 9, 2019	HEDC Outcome July 9, 2019	PC Recommended August 1, 2019	HEDC Recommendation Sept. 24, 2019	Staff Recommendation Nov. 5, 2019
1.	No separation requirement	Analyze 300' & 500' separation requirement	300' Separation between STRs	Provide Analysis of 100' & 200' Separation between STRs	Ordinance includes a 100' separation between STRs
2.	No caps	5% cap per General Plan neighborhood	5% cap on STRs in R-BF zone 5% cap Citywide by neighborhood	Supported the PC Recommendation	Ordinance includes a 5% cap in the R-BF zone
3.	No Limit	2 Council Members supported a 180-day cap, 1 Council Member did not support a cap	100-day annual cap per year vs. recommended 180-day cap per year	1 Council Member expressed support, 1 Council Member did not support, and the 3rd Council Member was absent.	Ordinance includes a 100-day annual cap per year

Summary of recommendations (part 2)

	Staff Recommended July 9, 2019	HEDC Outcome July 9, 2019	PC Recommended August 1, 2019	HEDC Recommendation Sept. 24, 2019	Staff Recommendation Nov. 5, 2019
4.	40 miles included in the ordinance	This was not discussed	Distance of property manager/owner (25 miles vs. 40 miles)	Supported the PC Recommendation	Ordinance changed to 25 miles
5.	No outdoor amplified music during quiet hours included in the ordinance	This was not discussed	No outdoor amplified music	No outdoor amplified music during quiet hours otherwise the existing sound regulations apply (OCC Section 7-185)	Ordinance includes prohibition of amplified music outdoors during quiet hours.

Summary of recommendations (part 3)

	Staff Recommended July 9, 2019	HEDC Outcome July 9, 2019	PC Recommended August 1, 2019	HEDC Recommendation Sept. 24, 2019	Staff Recommendation Nov. 5, 2019
6.	Parking required based on bedroom count included in ordinance. Aligns with existing code	This was not discussed	Prohibit STRs from using on-street parking	Support requiring specific number of on-site parking spaces & requirement to include the number of on-site spaces in advertisements and contracts.	Ordinance includes a requirement to include the number of parking spaces in the advertisement and contract.
7.	The fines conform to existing civil fines in the OCC.		Escalating fines	Supported the PC Recommendations	Ordinance includes escalating fines and zone text amendment expanded to include adjustment to OCC7-56 to allow for the escalating fines.

Santa Monica - STRs and Commerce Clause

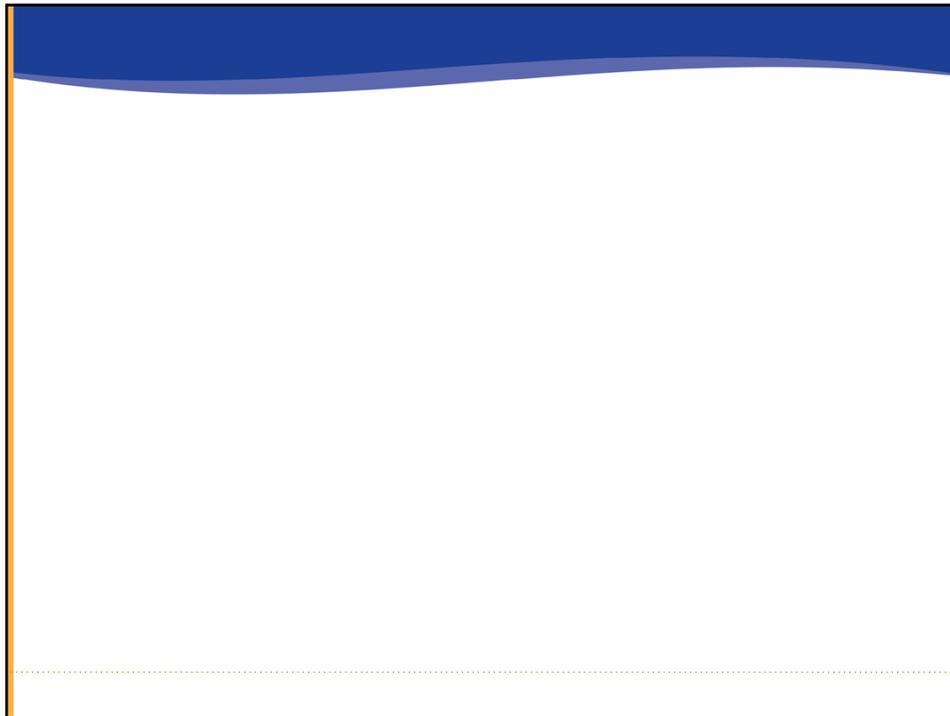
- October 3, 2019 - Ninth Circuit Appellate Court opinion filed regarding Santa Monica's banning of short-term rentals and only allowing homeshares.
 - Santa Monica has explicitly banned STRs since May 2015.
 - Plaintiffs claimed Santa Monica's ban on STRs violated the dormant Commerce Clause (discriminated against or burdened the interstate flow of commerce).
 - The Ninth Circuit held that Santa Monica's ban on short-term rentals did not violate the dormant Commerce Clause and upheld the trial court's dismissal of the lawsuit.
 - The decision does not reference the Coastal Act, and the Coastal Commission was not a party to the lawsuit.
 - This case has no direct impact on the City of Oxnard's pending STR regulations

Recommendation

That the City Council:
Introduce and waive the first reading of the following
Ordinances by title only approving amendments to
Chapters 7 (Nuisances), 16 (Zoning Code) and 17
(Coastal Zoning) of the Oxnard City Code.



Discussion



Separation Analysis (Coastal Zone)

Oxnard Shores (.35 square miles)		
Separation Radius	Number of Units by Separation	Number of units by 5% cap
100	408	81
150	217	81
200	134	81
250	91	81

1611 eligible units (excludes 440 units from The Colony at Mandalay Beach)

Channel Islands (.3 square miles)		
Separation Radius	Number of Units by Separation	Number of units by 5% cap
100	350	92
150	186	92
200	115	92
250	78	92

1832 eligible units

Dunes (.03 square miles developed)		
Separation Radius	Number of Units by Separation	Number of units by 5% cap
100	39	14
150	21	14
200	13	14
250	8	14

270 eligible units

Hollywood by the Sea (.06 square miles residential)		
Separation Radius	Number of Units by Separation	Number of units by 5% cap
100	74	19
150	39	19
200	24	19
250	16	19

380 eligible units

5% Cap in R-BF Zone

- Planning Commission recommended that the 5% cap be applied specifically to the R-BF zone (in addition to the staff recommended 5% cap within each General Plan Neighborhood).
 - R-BF zone has 107 lots, 93 with existing single family homes and 14 undeveloped lots.
 - Currently 16 STRs operating in the zone or 17% of the zone.
 - Adoption of the 5% cap would reduce the number of STRs by 69% to 5 STRs.
- The ordinance has been adjusted to include a 5% cap in the R-BF zone.

Additional recommendation of HEDC

The Colony at Mandalay Beach, a Planned Development Community, is added to those units that are not eligible for STR permits as it is a unique development area not suited for STRs.



Maximum number of rental days (100 vs 180 days)

- July 9, 2019 - HEDC meeting, 2 committee members supported a 180-day max per year and 1 committee member didn't feel a limit was necessary.
- August 1, 2019 - Planning Commission recommended maximum number of rental days in a vacation rental unit be reduced from 180-days to 100-days during any calendar year.
- September 24, 2019 - HEDC meeting only two committee members were able to attend. 1 committee member supported a 100-day maximum per year, 1 committee member did not support this maximum.
- The ordinance has been modified to reflect a 100-day maximum per year.

Current Operators

- The separation requirement and 5% cap in the R-BF zone guarantee that some current operators will not be allowed to continue to operate as STRs.
- The ordinance will allow current operators that can demonstrate that they were operating prior to March 25, 2019, that have the required parking, are compliant with occupancy limits, refuse and noise standards to receive a 12 month STR permit even if they do not comply with the ownership, separation or cap provisions.
- This permit could not be renewed.

Application Processing

- Once the ordinance is effective the application process will include an open enrollment period. Using established guidelines the applications will be vetted, scored, and selected via a lottery or first-come-first-served selection process as determined by the Community Development Director.

Application Processing (cont.)

- STR owners who are not successful in obtaining a STR permit, or do not meet all requirements of the ordinances, would be required to cease and desist STR operations by 12 months after the effective date of the ordinances.
- Future STR applications would be accepted and processed within an annual application “open enrollment” period as included within the STR Processing Guidelines.

Summary of recommendations

	HEDC Recommendation	Action
1.	Provide Analysis of 100' & 200' Separation between STRs	Ordinance includes a 100' separation between STRs 17-53(D) & 16-662
2.	5% cap on STRs in R-BF zone 5% cap Citywide by neighborhood	Ordinance includes a 5% cap in the R-BF zone 17-53 (C)
3.	One Council member expressed support, one did not support the recommendation and one was absent	Ordinance includes a 100-day annual cap per year 17-53 (L)(1)(b) & 16-667.1
4.	Distance of property manager/owner (25 miles vs. 40 miles)	Ordinance changed to 25 miles 17-53(M)(1)(b) & 16-668.1(B)
5.	No outdoor amplified music during quiet hours otherwise the existing sound regulations apply (OCC Section 7-185)	Ordinance includes prohibition of amplified music outdoors during quiet hours 17-53(L)(4)(c) & 16-667.4(C)
6.	Support requiring specific number of on-site parking spaces and a requirement to include the number of on-site spaces in advertisements and contracts	Ordinance includes a requirement to include the number of parking spaces in the advertisement and contract 17-53(M)(3 & 4) and 16-668
7.	Escalating fines	Ordinance includes escalating fines and zone text amendment expanded to include adjustment to OCC7-56 to allow for the escalating fines 17-53(T) & 16-675
8.	Add The Colony at Mandalay Beach to the units ineligible for an STR	The Colony at Mandalay Beach has been added to the list of ineligible units 17-53(H)(8)

No On-street Parking

- Planning Commission recommended amending Section 16-668.3 and Section 16-668.4 to include in the advertisement and rental agreement the total number of off-street parking spaces and that no on-street parking is allowed.
 - Provision prohibiting on-street parking would be unenforceable without a parking permit program per neighborhood, and possibly citywide.
 - Draft ordinance includes a requirement to provide unobstructed parking on-site (off-street) based on the numbers of bedrooms within the STR.
- The ordinance has been adjusted to include a requirement that the STR operator include in the advertisement and rental agreement the total number of off-street parking spaces available on-site.

Distance of property manager from STR

- Planning Commission recommended that the individuals listed in the nuisance response plan be within 25 miles of the property at all times.
 - 40 miles was consistent with the Ventura County's Ordinance.
 - Commissioners wanted complaints resolved within 15-30 minutes
 - This reduced distance may require more STR owners to employ a local property management company.
- The ordinance now requires that individuals listed in the nuisance response plan be within 25 miles of the property at all times that the STR is rented.

Outdoor Amplified Music

- The Planning Commission recommended prohibiting amplified music outside the STR at *any time* due to the size of some of the lots in the beach communities.
 - The proposed ordinance included a provision that prohibited amplified music during quiet hours.
 - The City's noise ordinance restricts noise in residential areas to 55 dBA at all times and 50 dBA between 10:00 p.m. and 7:00 a.m.
- The ordinance includes a prohibition of outdoor amplified music during quiet hours.

Escalating Fines

- Planning Commission recommended that Section 16-675 be revised to include escalating fines with each new violation to act as a deterrent.
- An additional zone text amendment is included for approval adding a sub-section to section 7-56 that states that STR fines are regulated by the STR ordinance.
- Section 16-675 has be modified to establish escalating fines as follows:
 - 1st violation \$1,000
 - 2nd violation \$2,000
 - 3rd violation \$3,000 plus revocation of the permit for two years.
 - The fine for operating an unlicensed and/or unpermitted STR is recommended at \$5,000.00 per day.

Remaining Operational Standards

- Sets overnight occupancy limits at two persons per bedroom plus two others, up to a maximum of 10 persons in vacation rentals and 5 persons in homestays.
- Establishes a maximum number of persons allowed on the property at any time. Cannot exceed the maximum overnight occupancy plus 6 additional persons.
- Establishes quiet hours from 10:00 pm. to 7:00 a.m. No outdoor amplified music/sound will be allowed during quiet hours.
- No one other than the renters are allowed on site during quiet hours.

Operational Standards (cont.)

- Requires the submittal of a nuisance response plan. Nuisance response plan must include name, address and telephone number of the person or persons who will be available to promptly respond to a nuisance complaint. The property owner must correct the problem within thirty minutes, or within fifteen minutes during the quiet hours between 10:00 p.m. and 7:00 a.m. after the complaint is first received.

- The primary occupant must be 21 years or older.

Operational Standards (cont.)

- Establishes on-site parking requirements.
 - 1) 1 space for vacation rentals in studio or one bedroom,
 - 2) 2 spaces for vacation rentals/homeshares with 2 to 4 bedrooms, and
 - 3) 3 spaces for vacation rentals/homeshares with 5 bedrooms.
- Permitted garages and driveway on the property must be unobstructed and made available for renter parking.
- Prohibits on-site events without a temporary use permit.
- Requires the provision of adequate waste collection facilities and requires waste collection schedule and information about recycling to be included in rental agreement and posted inside rental unit.