

ORDINANCE NO. ORD-2023-008

ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA ADOPTING A ZONING CODE TEXT AMENDMENT TO TITLE 20 OF THE SANTA ROSA CITY CODE, CHAPTER 20-48, SHORT-TERM RENTALS, TO PROVIDE ADDITIONAL TIME PERIOD TO SUBMIT APPLICATIONS TO RENEW EXPIRED SHORT-TERM RENTAL PERMITS ISSUED DURING FIRST YEAR OF SHORT-TERM RENTAL ORDINANCE; FILE NUMBER REZ23-001

WHEREAS, on October 13, 2021, the City Council adopted Ordinance No. ORD 2021-011 on an urgency basis adding Chapter 20-48, Short-Term Rentals, to the Zoning Code to establish a regulatory framework for short-term rentals to reduce safety risks during wildfire events, preserve housing stock and the residential characteristics of neighborhoods, and prevent short-term rental activities from becoming a nuisance to, or threatening the public health, welfare, or safety of neighboring residents. Chapter 20-48 also facilitates the collection and payment of transient occupancy tax (TOT) and Business Improvement Area (BIA) assessments; and

WHEREAS, on August 9, 2022, the City Council adopted Ordinance No. ORD-2022-008 on an urgency basis to set a maximum number of 198 non-hosted STR Permits to be issued citywide and to clarify that enforcement penalties apply to permit holders and “operators in good standing,” and, by Resolution No. RES-2022-177, the Council established a STR Permit renewal fee and authorized the Director of Planning and Economic Development to approve future fee adoptions and changes to the STR Permit renewal process; and

WHEREAS, since adoption of the STR Ordinance both the City and STR Permit holders have struggled with the application of the new Ordinance, including the timing of submittal of Renewal STR Permit applications; and

WHEREAS, numerous STR Permit holders have inadvertently let their Permits expire without the submittal of a Renewal STR Permit application; and

WHEREAS, the City Council desired to create an opportunity for STR Permit holders who submitted applications within the first year of the STR Ordinance, between October 13, 2021 and October 13, 2022, additional time to renew their STR Permits despite their Permits having expired; and

WHEREAS, on April 27, 2023, the Planning Commission of the City of Santa Rosa held a duly noticed public hearing and adopted resolution number PC-2023-013 recommending to the City Council adoption of Zoning Code text amendments to Title 20 of the Santa Rosa City Code, Chapter 20-48, Short-Term Rentals, to revise and add new definitions and policies, and to incorporate technical changes including reorganization and the addition of clarifying language to improve functionality and aid in implementation and enforcement of Chapter 20-48.

THE PEOPLE OF THE CITY OF SANTA ROSA DO ENACT AS FOLLOWS:

Section 1. The Council of the City of Santa Rosa finds, pursuant to City Code Section 20-64-050 (Findings), based on evidence and records presented, that:

- A. The proposed amendment is consistent with the goals and policies of the Santa Rosa General Plan, and all applicable Specific Plans in that the amendment furthers existing policies related to economic vitality by allowing existing Permit holders to renew their applications, retaining economic benefits to the City and the community with the retention of the short-term rentals.
- B. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City in that the amendment will allow previously issued STR Permits to be renewed. The renewed Permits will continue to be required to comply with the regulations set forth in the STR Ordinance, which strive to improve and enhance implementation and enforcement of the STR Ordinance to ensure STRs are compatible with the neighborhoods in which they are located.
- C. The proposed amendment is internally consistent with other applicable provisions of this Zoning Code in that the amendment will allow previously issued STR Permits to be renewed. The original Permits that were issued were found to be consistent with the Zoning Code upon approval of the original Permit.
- D. The proposed amendment has been reviewed in compliance with the California Environmental Quality ACT (CEQA) and the City Council has determined that adoption of this ordinance is exempt from CEQA under CEQA Guidelines Section 15060(c)(2) because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment, and because it is not a project as defined in CEQA Guidelines Section 15378, as it has no potential for resulting in a physical change in the environment, directly or indirectly. Additionally, or alternatively, the Ordinance is exempt from CEQA under CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that this Ordinance or its implementation of the Amendment would have a significant effect on the environment, would not be detrimental to the public interest, health, safety, convenience, or welfare of the City. The Ordinance is also exempt from CEQA pursuant to CEQA Guidelines section 15301 in that no new development or construction is authorized by the Ordinance and nothing in the Ordinance permits any expansion of use beyond the level of land uses already existing in the City. Single-family homes that are rented on a short-term basis will still be used as single-family homes and in a manner that is not substantially different from how they would be used if they were occupied by full-time residents or long-term renters.

Section 2. Section 20-48.040(E), Annual Requirement, of the Santa Rosa City Code is amended to read and provide as follows:

- “E. Annual requirement.

1. A new Short-Term Rental Permit application shall be required annually. Included with the application for renewal, the Owner shall submit such information concerning the short-term rental activity as may be required to enable the Tax Collector to verify the amount of Transient Occupancy Tax and Business Improvement Area assessment paid pursuant to Section 20-48.050 and shall report any violations and/or the assessment and payment of any penalties during the prior year. The Short-Term Rental may continue in operation while the renewal permit application is being processed. In the event an application for a renewal permit is not submitted prior to expiration, in accordance with this Section, the Short-Term Rental Permit shall expire at the end of its term and any new use of the property shall thereafter be subject to all provisions of this Code. If the renewal Short-Term Rental application is denied, all short-term rental operations shall cease.
2. Notwithstanding Subsection 1, for Short-Term Rental Permits that were issued within the first year of the original Ordinance (between October 13, 2021 and October 13, 2022) and that expired prior to the effective date of this Ordinance No. _____ (effective date of July 21, 2023), property owners shall have a one-time grace period consisting of an additional thirty-one (31) calendar days from the effective date of this Ordinance No. _____, or until August 21, 2023, to submit a renewal Short-Term Rental Permit application. If the renewal application is approved, the issuance month and day for the Short-Term Rental Permit shall be the same as the issuance month and day of the previous Short-Term Rental Permit; for example, if the previous Short-Term Rental Permit was issued on January 1, 2023, the renewal Short-Term Rental Permit issuance date shall be January 1, 2024.
3. In the event that any non-hosted Short-Term Rental Permit was issued for a property located within 1,000 feet of an expired non-hosted Short-Term Rental Permit that was subsequently renewed pursuant to Section 20-48.040(E)(2), both Short-Term Rentals may retain their Permits regardless of the distance between them.”

Section 3. Environmental Determination. The proposed amendment has been reviewed in compliance with the California Environmental Quality ACT (CEQA) and the City Council has determined that adoption of this ordinance is exempt from CEQA under CEQA Guidelines Section 15060(c)(2) because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment, and because it is not a project as defined in CEQA Guidelines Section 15378, as it has no potential for resulting in a physical change in the environment, directly or indirectly. Additionally, or alternatively, the Ordinance is exempt from CEQA under CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that this Ordinance or its implementation of the Amendment would have a significant effect on the environment, would not be detrimental to the public interest, health, safety, convenience, or welfare of the City. The Ordinance is also exempt from CEQA pursuant to CEQA Guidelines section 15301 in that no new development or construction is authorized by

the Ordinance and nothing in the Ordinance permits any expansion of use beyond the level of land uses already existing in the City. Single-family homes that are rented on a short-term basis will still be used as single-family homes and in a manner that is not substantially different from how they would be used if they were occupied by full-time residents or long-term renters.

Section 4. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 5. Effective Date. This ordinance shall take effect on the 31st day following its adoption.

This ordinance was introduced by the Council of the City of Santa Rosa on June 6, 2023.

IN COUNCIL DULY PASSED AND ADOPTED this 20th day of June, 2023.

AYES: (7) Mayor N. Rogers, Vice Mayor MacDonald, Council Members Alvarez, Fleming, Okrepkie, C. Rogers, Stapp

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM: _____
City Attorney