ORDINANCE NO. ORD-2022-008

AN URGENCY ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA AMENDING TITLE 20 OF THE SANTA ROSA CITY CODE CHAPTER 20-48, SHORT-TERM RENTALS, TO SET A MAXIMUM NUMBER OF 198 NON-HOSTED SHORT-TERM RENTAL PERMITS TO BE ISSUED CITYWIDE AND TO CLARIFY THAT ENFORCEMENT PENALTIES APPLY TO PERMIT HOLDERS AND OPERATORS IN GOOD STANDING; FILE NUMBER: REZ22-002

WHEREAS, the City of Santa Rosa, despite having regulations in place since the City Council adopted Ordinance No. ORD-2021-011 on an urgency basis on October 13, 2021, has found that non-hosted short-term rental activities and certain operators in good standing, as defined by Zoning Code Section 20-48.030.O, generate a high volume of police and code enforcement complaints related to noise, occupancy and large events, which are overburdening City staff and creating a threat to public peace, welfare, health and safety due to the high number of complaints and resulting from documented violations and limited City resources; and

WHEREAS, the City of Santa Rosa desires to preserve the residential characteristics of neighborhoods that enhance the quality of life for our residents, protect public peace, welfare, health, and safety, and preserve housing stock for residential use; and

WHEREAS, it has been documented that certain non-hosted short-term rental permit holders and operators in good standing with outstanding code violations have resulted in tension between owners/operators and neighbors, particularly in the form of nuisance complaints filed by neighbors related to impacts resulting from excessive occupancy, noise, parking, and in the form of public safety and welfare complaints related to wildfire risks and evacuation routes; and

WHEREAS, public complaints about non-hosted short-term rental activities and certain operators in good standing have increased in frequency and intensity since the adoption of Ordinance No. ORD-2021-011, and response to complaints has required increased allocation of police, fire, code enforcement, and planning staff resources, without resolution of issues, due to limited City resources for enforcement; and

WHEREAS, the ongoing intake of new non-hosted short-term rental permit applications, as well as the lack of clear enforcement language for operators in good standing that violate Zoning Code Chapter 20-48, Short-Term Rentals, presents a current and immediate threat to the public peace, welfare, health, and safety, requiring adoption of this urgency ordinance to limit the number of non-hosted short-term rentals within the City, and to provide additional enforcement clarification for short-term rental operators deemed as operators in good standing, as defined by Zoning Code Section 20-48.030.O; and

WHEREAS, the ongoing intake of new non-hosted short-term rental permit applications, as well as a lack of clear enforcement language for operators in good standing that violate Zoning Code Chapter 20-48, Short-Term Rentals, will have the potential to be injurious to the rights of neighboring property owners by preventing the peaceful and safe enjoyment of their property; and

WHEREAS, certain existing non-hosted short-term rentals and operators in good standing that are in violation of the regulations set forth in Zoning Code Chapter 20-48, Short-Term Rentals, are creating a public safety hazard by impacting the ability of people to safely evacuate neighborhoods during emergencies due to an excessive number of parked cars on narrow streets which limit emergency access and due to a decreased ability to communicate with and educate transient renters about local emergencies and evacuation plans; and

WHEREAS, limiting the number of non-hosted short-term rentals to 198 will allow the City the ability to process the short-term rental permits that have been submitted in good faith since the adoption of Ordinance No. ORD-2021-011 on October 13, 2021, and prior to the adoption of this urgency ordinance, while prohibiting the submittal of new non-hosted short-term rental permit applications, the processing of which would exacerbate the already limited police, fire, code enforcement, and planning staff resources and adversely impact public health, welfare and safety; and

WHEREAS, beginning on the evening of October 8, 2017, and continuing for days thereafter, the Sonoma Complex Fires burned over 90,000 acres in Sonoma County, and damaged or destroyed more than 3,000 homes and 100 commercial structures within the boundaries of the City of Santa Rosa; and

WHEREAS, the Sonoma Complex Fires claimed the lives of 24 Sonoma County residents, including nine from the City of Santa Rosa; and required the evacuation of tens of thousands of City residents; and

WHEREAS, beginning on October 23, 2019, and continuing for days thereafter, the Kincade Fire burned approximately 77,758 acres in Sonoma County and required the evacuation of approximately 186,000 Sonoma County residents including approximately 60,000 in the City of Santa Rosa; and

WHEREAS, beginning on September 27, 2020, the Shady Fire (now included as a component of the larger Glass Fire), burned 67,494 acres and destroyed 235 Sonoma County single-family residences, 34 of which were within Santa Rosa city limits, and required the evacuation of tens of thousands of City residents; and

WHEREAS on June 6, 2022, the City of Santa Rosa Fire Department declared the start of the 2022 wildfire season despite a round of late season rains, early fire activity and above average temperatures made the declaration necessary, and due to severe drought conditions locally and throughout the state; and

WHEREAS, the City of Santa Rosa is experiencing a severe and ongoing housing crisis which has been exacerbated by the wildfire disasters of recent years; and

WHEREAS, in 2018, 2019, 2020, 2021, and 2022, the Council adopted policy priorities, which include a housing for all strategy within Tier 1, reaffirming the Council's housing goals; and

WHEREAS, on December 12, 2017, the Council adopted Ordinance No. ORD-2017-024, amending Title 20 of the City Code to prohibit the use of Accessory Dwelling Units (ADUs) completed after January 11, 2018, and Junior Accessory Dwelling Units (JADUs), as short-term rentals to safeguard these units as long-term residential uses; and

WHEREAS, the conversion of housing units to short-term rentals reduces the supply of housing available to serve permanent residents, which increases housing costs for both renters and buyers; and

WHEREAS, as of July 1, 2022, a total of 205 non-hosted short-term rental permits have been submitted to the City since October 13, 2021, with new applications submitted weekly, reducing the availability of long-term housing for permanent residents within the City; and

WHEREAS, the October 2, 2020, online edition of Marketing Science (Vol. 40, No. 1) found that the number of Airbnb listings in a zip code was associated with increases in property prices and rental rates; and

WHEREAS, continued acceptance of new non-hosted short-term rental applications beyond those that have been submitted in good faith between October 13, 2021 and the adoption of this urgency ordinance, without the ability of City staff to timely address existing violations, as well as the inability to address violations of operators in good standing in the same way that violations of new short-term rental permits are addressed, and the associated gatherings and events at these short-term rentals, can contribute to increased cases of COVID-19 infections; and

WHEREAS, on March 3, 2020, by Resolution RES-2020-035, and as extended by Resolutions RES-2020-056; RES-2020-085; RES-2020-120; RES-2020-153; RES-2020-184; RES-2021-011; RES-2021-035; RES-2021- 068; RES-2021-104; RES-2021-142; RES-2021-169; RES-2021-216; RES-2022-020; RES-2022-039; RES-2022-060; and RES-2022-098, the Council of the City of Santa Rosa ratified the Proclamation of the Existence of a Local Emergency due to the threat to community health posed by the introduction of COVID-19 in Sonoma County that was issued by the City Manager, acting in their capacity as Director of Emergency Services; and

WHEREAS, on March 4, 2020, Governor Gavin Newsom declared a statewide State of Emergency related to the COVID-19 pandemic; and

WHEREAS, COVID-19 continues to cause significant impacts to City and community operations, including medical and public health systems and facilities, public safety and emergency services, public infrastructure and programs, the local economy, and the community's well-being; and

WHEREAS, code enforcement violation tracking indicates that non-hosted short-term rentals pose the greatest potential to be injurious to the rights of neighboring property owners by preventing the peaceful and safe enjoyment of their property; and

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, the increase in volume and intensity of violations of adopted short-term rental regulations related to non-hosted short-term rentals and certain operators in good standing present a current and immediate threat to the public peace, welfare, health, and safety, requiring adoption of this urgency ordinance to set a maximum number of 198 non-hosted short-term rental permits to be issued citywide, allowing those permits submitted in good faith between the adoption of Ordinance No. 2021-011 on October 13, 2021 and the adoption of this urgency ordinance, but prohibiting the submittal of new non-hosted short-term rentals, and clarifying the violation process for operators in good standing; and

WHEREAS, the current Zoning Code provides operators in good standing, as defined in Section 20-48.030.O, the opportunity to continue to rent, offer, or advertise an existing short-term rental at the location specified in the short-term rental permit application while obtaining required City approvals; and

WHEREAS, Zoning Code Section 20-48.080 includes a three-step violation process that imposes a $500 penalty for a first violation, a $1,000 penalty for a second violation, and a $2,000 penalty and revocation of the short-term rental permit for a third violation of short-term rental regulations within one year. Further, Table 48.1 specifies that the penalties and permit revocation apply to short-term rental permit holders; and

WHEREAS, this urgency ordinance will clarify that the three-step violation process applies to operators in good standing as well as short-term rental permit holders; and

WHEREAS, on May 17, 2022, the Economic Development Subcommittee of the City of Santa Rosa directed staff to take immediate action to preserve the public peace, welfare, health, and safety by limiting the number of non-hosted short-term rentals citywide, clarifying that regulating short-term rental operations is necessary to address community compatibility, public safety threats due to wildfires and other potential emergencies requiring evacuation, limited housing stock, and the COVID-19 pandemic; and

WHEREAS, it is urgent the City adopt regulations in order to minimize the adverse impacts non-hosted short-term rentals continue to have on surrounding residential properties and the City's limited enforcement resources; and

WHEREAS, the City desires to establish, on an urgency basis, an ordinance to set a maximum number of 198 non-hosted short-term rentals citywide and clarify the applicability of

code enforcement processes for operators in good standing, as defined by Zoning Code Section 20-48.030.O; and

WHEREAS, it is urgent that the City adopt regulations in order to minimize (i) the adverse impacts non-hosted short-term rentals and certain operators in good standing may have on surrounding residential properties and the City's limited enforcement resources, (ii) public health and safety issues related to wildfires, and (iii) dense social gatherings at non-hosted short-term rentals and certain short-term rental operators in good standing that pose a threat of COVID-19 transmission; as a result, the City desires to establish, on an urgency basis, an ordinance to limit the number of non-hosted short-term rentals to 198 and clarify the enforcement of short-term rentals deemed as operators in good standing, as defined by Zoning Code Section 20-48.030; and

WHEREAS, limiting the number of non-hosted short-term rentals to 198 and clarifying the enforcement of short-term rentals deemed as operators in good standing would reduce documented nuisance and resource impacts of these activities; and

WHEREAS, there is a current and immediate need to clarify the enforcement language related to short-term rentals deemed as operators in good standing to ensure these operations are also subject to the same penalties and enforcement action; and

WHEREAS, Section 8 of the Santa Rosa City Charter allows the City Council to adopt an urgency measure to take effect immediately upon its adoption for preserving the public peace, health, or safety if such ordinance contains the reasons for its urgency and if passed by a five-sevenths vote of the City Council; and

WHEREAS, as provided herein, the ordinance shall be in effect immediately upon its adoption; and

WHEREAS, the Council of the City of Santa Rosa has been provided with information upon which the findings and actions set forth in this ordinance are based, allowing the Council to adopt this urgency ordinance to be effective upon adoption; and

WHEREAS, for the reasons set forth above, this ordinance is declared by the Council of the City of Santa Rosa to be necessary for preserving the public peace, welfare, health, or safety and to avoid a current, immediate impact to the peace, health, safety or welfare of the community and the recitals above taken together constitute the Council's statements of the reasons for adopting this Ordinance on an urgency basis.

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

Section 1. The Council of the City of Santa Rosa finds, based on evidence and records presented, that:

A. Amending Title 20 (Zoning) of the Santa Rosa City Code, as follows, is required to protect the peace, health, safety, or welfare of the community by setting a maximum

number of 198 non-hosted short-term rental permits to be issued citywide and clarifying that the code enforcement process applies to operators in good standing as well as short-term rental permit holders and that these amendments are in support of the City's General Plan; and

B. The proposed amendments are consistent with the goals and policies of the Santa Rosa General Plan, and all applicable Specific Plans in that the amendments further enforce existing policies related to land use and livability, neighborhood compatibility, economic vitality, police services, and noise. The proposal does not allow density beyond what is currently allowed and requires consistency with the Zoning Code; and

C. The proposed amendments would not be detrimental to the public interest, health, safety, convenience, or welfare of the City in that these amendments strive to improve and enhance existing short-term rental regulations related to public safety by providing a means to ensure that the number of non-hosted short-term rentals in the City does not oversaturate residential areas, negatively impacting the availability of long-term housing and the City's ability to meet its housing needs as required by the State of California, to provide an opportunity to address the increased violations related to non-hosted short-term rentals, and to address violations related to operators in good standing, as defined by Zoning Code Section 20-48.030; and

D. The proposed amendments are internally consistent with other applicable provisions of this Zoning Code, in that the amendments will provide clarification regarding violations related to operators in good standing and the number of non-hosted short-term rentals that can be permitted in the City; and

E. The adoption of this ordinance is not subject to the California Environmental Quality Act (CEQA) under CEQA Guidelines Sections 15060 (c)(2) and 15060 (c)(3) 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 physical change to 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 would have a significant effect on the environment.

F. Government Code Section 36937(b) allows an ordinance to take effect immediately, if it is an ordinance for the immediate preservation of public peace, health or safety and it contains a declaration of the facts constituting the urgency; and

G. Section 8 of the Santa Rosa City Charter authorizes the City Council to adopt an urgency measure to take effect immediately upon its adoption if necessary to preserve the public peace, health or safety if such ordinance contains the reasons for its urgency; and

H. Such an urgency measure requires a five-sevenths vote of the City Council for adoption; and

I. The City Council has been provided with information upon which the findings and actions set forth in this Ordinance are based, allowing the Council to adopt this urgency ordinance to be effective upon adoption; and

J. The City Council hereby finds that this Ordinance is necessary for immediate preservation of the public peace, health or safety based upon the findings contained herein.

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

"A. Permit required.

1. Hosted short-term rental. Hosted short-term rentals are allowed with a Short-Term Rental Permit in all City zoning districts.

2. Non-hosted short-term rentals are allowed with a Short-Term Rental Permit in the Core Mixed Use (CMU), Station Mixed Use (SMU), Maker Mixed Use (MMU), and Neighborhood Mixed Use (NMU), Rural Residential (RR), Single Family Dwelling (R-1), Residential Planned Development (PD) where not explicitly prohibited, Medium Density Multi-Family Residential (R-2), Multi-Family Residential (R-3), Transit Village Residential (TV-R), Office Commercial (CO), Neighborhood Commercial (CN), Community Shopping Center (CSC), General Commercial (CG), and Transit Village-Mixed (TVM) zoning districts. Non-hosted short-term rentals are prohibited in all other zoning districts.

a. The maximum number of Short-Term Rental Permits issued for non-hosted short-term rentals shall be 198 citywide."

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Section 3. Section 20-48.080(B), Table 48.1 of the Santa Rosa City Code is amended to read and provide as follows:

"TABLE 48.1 ENFORCEMENT PENALTIES

Enforcement Penalties		
First Violation	**Second Violation within one year**	**Third Violation within one year**
$500.00 and education	$1,000.00	$2,000.00 and revocation of Short-Term Rental Permit, or revocation of operator in good standing status. The result of operator in good standing revocation shall be the same as denial of a Short-Term Rental Permit application which is that the operator is no longer an operator in good standing and shall immediately cease renting, offering, or advertising the short-term rental pursuant to Section 20-48.040(B)(1)(b)."

Section 4. Environmental Determination. The Council finds that adoption of this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15060(c)(2) and 15060(c)(3), 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 physical change to the environment, directly or indirectly. Additionally, or alternatively, the Ordinance is exempt from 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 would have a significant effect on the environment.

Section 5. 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.

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Section 6. Effective Date. This Ordinance shall take effect immediately upon its adoption.

IN COUNCIL DULY PASSED AND ADOPTED this 9th day of August, 2022.

AYES: (5) Mayor C. Rogers, Vice Mayor Alvarez, Council Members Fleming, MacDonald, N. Rogers

NOES: (2) Council Members Sawyer, Schwedhelm

ABSENT: (0)

ABSTAIN: (0)

ATTEST: Stephanie A. Williams
City Clerk

APPROVED: Chris Rogers (Aug 17, 2022 13:34 PDT)
Mayor

APPROVED AS TO FORM: Sue Gallagher
Sue Gallagher (Aug 16, 2022 09:21 PDT)
City Attorney

CC - ORD-2022-008 (08-09-2022)

Final Audit Report 2022-08-17

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City of
Santa Rosa

CERTIFICATION
SANTA ROSA CITY COUNCIL
URGENCY ORDINANCE NO. ORD-2022-008

STATE OF CALIFORNIA)
COUNTY OF SONOMA) ss.
CITY OF SANTA ROSA)

I, STEPHANIE A. WILLIAMS, City Clerk of the City of Santa Rosa, California, do hereby certify that the foregoing urgency ordinance, published and posted in compliance with State law Government Code 40806 and Santa Rosa City Charter Section 8, was duly adopted on August 9, 2022, by the City Council of Santa Rosa at a regular meeting of said Council on said date.

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Stephanie A. Williams

Stephanie A. Williams, City Clerk
City of Santa Rosa, California