

1 WHEREAS, the City has experienced significant growth in the number of short-term
2 rentals since the adoption and implementation of chapter 24. To date, there are approximately
3 1,211 registered STRs in the City of Oceanside, with approximately 833 STRs located in the
4 City’s Coastal Zone and approximately 378 STRs outside of the City’s Coastal Zone. These
5 totals include all properties that are at least in part utilized as an STR and includes non-hosted,
6 hosted, and properties which are exempt from obtaining an STR permit like North Coast Village
7 (which accounts for 331 STRs in the Coastal Zone) and properties within the St. Malo gated
8 community; and

9 WHEREAS, on August 30, 2023, the City Council conducted a workshop on strategies to
10 stimulate the production of housing in the City and provided direction on a number of policy options
11 to include: (1) subsidizing the production of affordable housing with potential city gap financing;
12 (2) amending the inclusionary housing requirement to increase the required percentage of
13 affordable units in market-rate projects; (3) allow for the use of accessory dwelling units as
14 affordable units to satisfy inclusionary housing and density bonus requirements; (4) consider
15 changes to process review timing and by-right approvals; and (5) consider amendments to chapter
16 24 to restrict future short-term rentals; and

17 WHEREAS, on December 20, 2023, the City Council introduced an amendment to chapter
18 24 to prohibit new STR permits for non-hosted short-term rental units outside of the Coastal Zone.
19 On that same date, the City Council directed staff to draft amendments to chapter 24 to prohibit any
20 additional non-hosted short-term rentals in the City’s Coastal Zone with the exception of the RT
21 zoning district; and

22 WHEREAS, the staff report prepared for the December 20, 2023 amendment detailed the
23 number of STRs in the City, including those in the Coastal Zone and outside of the Coastal Zone
24 along with a detailed breakdown of the number and type of complaints received by the Code
25 Enforcement and the Oceanside Police Department, along with a summary of the fines collected by
26 the City since the inception of chapter 24.

27 WHEREAS, the factual background set forth in the December 20, 2023 staff report is
28 incorporated herein by reference; and

1 WHEREAS, the City Council adopted the amendment to Chapter 24 on January 10, 2024
2 prohibiting new, un-hosted STR permits outside the Coastal Zone; and

3 WHEREAS, after the receipt of extensive public comments, staff prepared amendments to
4 chapter 24 for the Planning Commission’s review, a copy of which is set forth as attachment three
5 to the April 24, 2024 staff report; and

6 WHEREAS, the Planning Commission, after giving the required notice, did on the 25th
7 day of March, 2024 conduct a duly noticed public hearing to consider a recommendation to the
8 City Council on the proposed text amendments; and

9 WHEREAS, the Planning Commission, after receiving a presentation from staff and
10 public testimony, formulated a recommendation to the City Council on the proposed amendment.
11 The Planning Commission decision (attachment 1(c) to the April 24, 2024 staff report) is more
12 fully described as Option 3 in the staff report; and

13 WHEREAS, following the receipt of the Planning Commission recommendation and
14 additional public comments, staff modified its recommendation in a further effort to balance the
15 policy goals of providing a variety of overnight accommodations in the City’s coastal zone while
16 attempting to minimize adverse impacts to residents. The staff recommended amendment (
17 Option 1 in the April 24, 2024 staff report) requires all new STR permits to be issued in
18 residential zones west of Coast Highway, except for the R-1 zone, where new STR permits are
19 prohibited. Option 1 allows STR permits issued before the introduction of the ordinance adopting
20 this section to be renewed unless the owner obtains permit(s) to expand the habitable square
21 footage of the dwelling unit or transfers the dwelling unit to a new owner. Option 1 also includes
22 a cap of 480 total STR permits for non-hosted units in the Coastal Zone west of Coast Highway.
23 This cap does not include hosted or permit-exempt STR units and represents an increase of
24 approximately twenty-five STR units in the area west of Coast Highway than exist as of the date
25 of introduction of this ordinance; and

26 WHEREAS, Option 1 also clarifies the process of renewing a twelve-month permit,
27 requires owners of both hosted and non-hosted units to obtain an STR permit; prohibits tenants
28 from renting a dwelling unit as short-term rental and substantially increases fines for violations
of chapter 24; and

1 WHEREAS, a Notice of Exemption was prepared per California Environmental Quality Act
2 (CEQA), Article 5, Section 15061(b)(3), under the common-sense exemption that CEQA applies
3 only to projects which have the potential for causing a significant effect on the environment;

4 NOW, THEREFORE, the City Council of the City of Oceanside does ordain as follows:

5 **SECTION 1.** The amendments to chapter 24, sections 24.2, 24.3, 24.4, 24.6, 24.7. 24.8
6 and 24.9 of the Oceanside City Code, as specified in Exhibit A, are hereby adopted.

7 **SECTION 2.** The City Clerk of the City of Oceanside is hereby directed to publish this
8 Ordinance, or the title hereof as a summary, pursuant to state statute, once within fifteen (15) days
9 after its passage in a newspaper of general circulation published in the City of Oceanside.

10 **SECTION 3.** Severability.

11 If any section, sentence, clause or phrase of this Ordinance is for any reason held to be
12 invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall
13 not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares
14 that it would have passed this Ordinance and adopted this Ordinance and each section, sentence,
15 clause or phrase thereof, irrespective of the fact that any one or more sections, subsections,
16 sentences, clauses or phrases be declared invalid or unconstitutional.

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Oceanside, California, Code of Ordinances
Chapter 24 SHORT-TERM RENTALS

Chapter 24
SHORT-TERM RENTALS

Sec. 24.1. Findings and purpose.

The city council finds that the city has seen a substantial increase in the number of residential properties being used as short-term rentals. With the rise in the number of short-term rentals, the city has received complaints from citizens and neighborhood groups over the adverse impacts caused by this transient use on adjacent properties. The purpose of this section is to balance the city's desire to promote economic development and tourism with the city's legitimate need to mitigate the adverse impacts often associated with short-term rentals, including excessive noise, overcrowding, reduction of street parking, and the accumulation of refuse. The regulations contained herein are intended to minimize the adverse impacts short-term rental properties have on surrounding properties. The city also seeks to ensure that the city is collecting transient occupancy taxes as required by chapter 34 of the Oceanside City Code as well as the Oceanside Tourism Marketing District.

(Ord. No. 19-OR0408-1 , § 1, 6-19-19)

Sec. 24.2. Definitions.

- (a) A *bedroom* is a private room furnished with a bed and intended primarily for sleeping. Bedrooms must be separated from other rooms by a door and have at least one window and emergency escape/rescue opening and a closet or storage nook. Additionally, the room must be accessible to a bathroom without crossing into another bedroom.
- (b) *Daytime guest* is defined as an individual allowed at a short-term rental property between the hours of 7:00 a.m. and 10:00 p.m. Daytime guests do not count towards the total occupancy allowed in a short-term rental property.
- (c) *Dwelling unit* shall have the same meaning as set forth in section 330 of the Oceanside Zoning Ordinance.
- (d) *Hosted unit* is a dwelling unit where the owner or their tenant occupies the dwelling unit as his or her principal residence and offers a portion of the dwelling unit for short-term rental while remaining on site. **In multi-family residential zoning districts only, the owner may occupy a dwelling unit on the same parcel as the short-term rental unit provided the owner remains on-site during all short term rental stays.**
- (e) *Owner* is the person(s) or entity(ies) that hold(s) legal and/or equitable title to the subject short-term rental.
- (f) A *short-term rental* is a dwelling unit, or any portion thereof, offered for rent or rented for dwelling, lodging or sleeping for no more than thirty (30) consecutive nights in the city, including single-family or multiple-family units. This excludes bed and breakfasts, hotels, motels, and timeshares.
- (g) **Non-hosted short-term rental is a dwelling unit where the owner of the property does not occupy the dwelling unit as his or her principal residence, or does not remain on-site during rentals, and offers the dwelling unit for short-term rental.**

(Ord. No. 19-OR0408-1 , § 1, 6-19-19)

Sec. 24.3. Permit required.

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- (a) Unless exempt pursuant to section 24.4, an owner shall obtain a short-term rental permit from the city before renting a dwelling unit for a short-term rental or advertising the availability of a short-term rental unit. The application for a short-term rental permit shall include the following information on a form provided by the city:
- (1) The name, address, and telephone number of the owner of the short-term rental unit, including local emergency contact information.
 - (2) The name, address and telephone number of the owner's authorized representative, including twenty-four (24) hour local emergency contact information.
 - (3) The address of the proposed short-term rental unit.
 - (4) The number of bedrooms in the short-term rental unit.
 - (5) Acknowledgement of receipt and executed agreement to comply with the city's "Short-Term Rental Good Neighbor Policy" requirements.
- (b) A short-term rental permit shall be valid for twelve (12) calendar months from the date of issuance and must be renewed thereafter for a new twelve-month term. **A complete application for renewal of a short-term rental permit shall be received by the City no later than 30-days after the expiration date of the permit. If an application for renewal is not timely received the property will lose the ability to be utilized as a short-term rental following the expiration of the twelve-month term, with the exception of properties located west of Coast Highway. If a property located west of Coast Highway outside of the R-1 zone has a short-term rental permit that lapses, then a new short-term permit application shall be submitted and approved prior to the property being utilized as a short-term rental.**
- (c) The application for a short-term rental permit or renewal shall be accompanied by a non-refundable application fee established by resolution of the city council. The application fee shall not exceed the city's estimated reasonable cost of administering the provisions of this chapter.
- (d) The application shall be submitted by the owner or the owner's authorized agent. Even if the application is submitted by the owner's authorized agent, the owner shall be responsible for complying with this chapter and all other laws applicable to the short-term rental.
- (e) The application will be reviewed by the city manager or designee and a short-term rental permit will be issued unless the applicant fails to demonstrate compliance with this article or other applicable provisions of the Oceanside City Code, the Oceanside Zoning Ordinance, conditions or approval for the dwelling unit, or other applicable law. The city manager or designee may deny an application for a short-term rental if the applicant fails to demonstrate compliance with chapter 34, article III governing transient occupancy tax. The city manager or designee may further deny the short-term rental permit if the applicant has provided any false information in the application or if the city has revoked a short-term rental permit in the owner's name within the preceding twelve (12) months. In addition to the operational requirements set forth in section 24.7, the city manager or designee shall have the authority to impose additional conditions on the use of any short-term rental unit in order to mitigate potential secondary effects unique to the subject property.
- (f) The short-term rental permit shall not be assignable. Following a change in ownership, a new short-term rental permit shall be required before the new owner rents or advertises the unit for rent as a short-term rental unit.
- (g) An initial property inspection of the short-term rental property is required when the short-term rental permit application is received by the city. The inspection is subject to a non-refundable fee established by resolution of the city council. If there are no verifiable complaints or violations received by city staff, the property inspection is to occur every three (3) years.

(Ord. No. 19-OR0408-1 , § 1, 6-19-19)

Sec. 24.4. Short-term rental permit exemptions.

The following short-term rental properties are exempt from the permit requirement in section 24.3 and the operational requirements in section 24.7 provided the owner and/or operator of the unit remains in compliance with chapter 34, article III governing transient occupancy tax:

~~(1) Hosted units.~~

(12) Short-term rentals governed by a homeowner association that contains at least fifty (50) units and are self-contained. To be considered self-contained, the short term rentals governed by the homeowner association must be gated with twenty-four (24) hour security and/or twenty-four (24) hour on-site management and shall meet applicable parking requirements.

(Ord. No. 19-OR0408-1 , § 1, 6-19-19)

Sec. 24.5. Reserved.

Sec. 24.6. Short-term rental prohibitions.

- (a) Short-term rentals are prohibited in a manufactured home park, as defined in chapter 16.B.2(c) of the Oceanside City Code.
- (b) Short-term rentals served by a panhandle access that does not meet city standards set forth in Oceanside Zoning Ordinance 1050(Y) or other applicable city ordinances are prohibited.
- (c) Non-hosted short-term rentals located in any residential zoning district outside of the Coastal Zone are prohibited. A short-term rental permit issued for a property outside the Coastal Zone prior to the effective date of this Section shall not be renewed after the property is transferred to a new owner.

(d) Non-hosted short-term rentals located in any residential zoning district within the Coastal Zone are prohibited, with the exception of the following and subject to the provisions outlined below:

(1) Non-hosted short-term rentals are allowed in all residential zoning districts west of Coast Highway other than the R-1 zone subject to a maximum of 480 non-hosted short-term rental permits west of Coast Highway. Any short-term rental permit issued in excess of the identified maximum number of permits identified in this Section shall not be renewed following certification of Local Coastal Plan Amendment (LCPA24-00001) by the California Coastal Commission.

(2) Non-hosted short-term rentals in the R-1 zone are prohibited. Any short-term rental permit issued prior to the introduction of the ordinance adopting this section (“pre-existing permit”) is renewable pursuant to section 24.3(b). A pre-existing permit for a short term rental in the R-1 zone shall not be renewed after the property is transferred to a new owner or the owner of the property obtains permit(s) to expand the habitable space of the dwelling unit. Any short-term rental permit for a property in the R-1 zone shall prohibit the owner from advertising the availability of more than five (5) bedrooms and shall prohibit the rental of more than five (5) bedrooms unless the dwelling unit is legally permitted with more than five (5) bedrooms on the date the ordinance adopting this section is introduced. In that event, the maximum occupancy for a dwelling unit is fourteen (14) people

(3) New non-hosted short-term rental permits east of Coast Highway issued for the first time after introduction of the ordinance adopting this section and inconsistent with Local Coastal Plan Amendment (LCPA 24-00001) shall not be renewed following certification by the California Coastal Commission.) A short-term rental permit for a property in the Coastal Zone east of Coast Highway approved prior to the introduction of the ordinance adopting this section is subject to renewal in accordance with section 24.3.

(Ord. No. 19-OR0408-1 , § 1, 6-19-19)

Sec. 24.7. Operational requirements.

- (a) All short-term rental properties must comply with the provisions of chapter 34 of the Oceanside City Code regarding the collection and remittance of transient occupancy taxes and the collection and remittance of the Oceanside Tourism Marketing District Assessment. Failure to comply with these provisions may result in revocation of a short-term rental permit.
- (b) The owner or the owner's authorized agent, identified in the application for a short-term rental permit, shall be available twenty-four (24) hours a day, seven (7) days a week, to respond to complaints pursuant to this section 24.7(f) concerning the condition, operation or conduct of occupants of the short-term rental unit or their guests.
- (c) Short-term rental property owners shall display on the exterior of a short-term rental unit, a notice, utilizing a template approved by the city, containing a twenty-four (24) hour, seven (7) days a week phone number for a private party responsible for the facility to take complaints regarding its operation. The exterior display will also contain the number of bedrooms and the maximum number of occupants permitted to stay in the unit. The notice shall be in plain view of the general public and/or common area and shall be maintained in good condition at all times. The notice shall continue to be displayed as long as the unit is used as a short-term rental.
- (d) The short-term rental property address and twenty-four (24) hour contact phone number of the owner or owner's authorized agent shall be listed on the city's short-term rental directory website.
- (e) The owner and/or the owner's authorized representative shall use reasonably prudent business practices to ensure the occupants and guests of the short-term rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct or violate any provisions of this ordinance or other applicable laws.
- (f) Upon notification by a city employee authorized to enforce this chapter that any occupant or guest of the occupant of a short-term rental unit has created unreasonable noise or disturbance, engaged in disorderly conduct or committed a violation of an applicable law, the owner and/or the owner's authorized agent, shall use all reasonable efforts to immediately halt and prevent a reoccurrence of such conduct. Failure of the owner or the owner's authorized agent to respond to a notification provided under this section within sixty (60) minutes of the receipt of that notification shall be prima facie evidence that the owner or the owner's agent has failed to use reasonable efforts as required by section 24.7(e).
- (g) All garage, driveway and on-site designated parking spaces shall be made available for vehicle parking.
- (h) Parking of any detached camper, boat, boat trailer or other non-motorized vehicle shall be in accordance with Oceanside Traffic Code section 13.25. Parking of any vehicle over seven (7) feet in height shall be in accordance with Oceanside Traffic Code section 13.26.
- (i) No vehicles shall be parked in a designated fire lane nor block or restrict access to adjacent properties.
- (j) Rental properties shall be kept clean with no visible trash. All trash containers shall be stored out of public view except when at the curb on trash collection days by the city's authorized waste hauler.
- (k) The maximum number of occupants allowed to occupy the short-term rental unit shall be limited to two (2) people per bedroom plus two (2) people per unit. **The operator of a short-term rental shall not advertise occupancy that is greater than the number of occupants depicted on the notice required by sections 24.6(d)(2) or otherwise authorized by section 24.7(c).**

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- (l) The maximum number of daytime guests allowed in a short-term rental property shall be ten (10) guests, regardless of bedroom count. Daytime guests are allowed between 7:00 a.m. and 10:00 p.m.
- (m) All short-term rental **offerings and** agreements shall have a minimum two (2) night consecutive stay.
- (n) No amplified or reproduced sound, **nor any other disturbing, excessive, or offensive noise** shall be audible from the property line of any short-term rental unit between the hours of 10:00 p.m. and 10:00 a.m. At all other times, noise shall comply with the limitations set forth in section 38.17 of the Oceanside City Code. .
- (o) Prior to the occupancy of the short-term rental unit, the owner or the owner's authorized representative shall:
- (1) Obtain the name, address, and telephone number of the renter.
 - (2) Provide a copy of city-prepared "Short-Term Rental Good Neighbor Policy" handout summarizing the requirements of this ordinance to the renter.
 - (3) Require the renter to execute a formal acknowledgement that he or she is legally responsible for compliance with all requirements of this ordinance by all occupants and their guests.
 - (4) The information required by paragraphs 1 and 3 of this subsection shall be maintained by the owner or the owner's authorized representative for a period of three (3) years and shall be made available upon request to any officer of the city responsible for the enforcement of this ordinance or other applicable laws.
- (p) The short-term rental permit identification number, as issued by the City, shall be displayed on the hosting platform where the short-term rental is advertised.**

(Ord. No. 19-OR0408-1 , § 1, 6-19-19)

Sec. 24.8. Violations and penalties.

- (a) Any person who violates the provisions of this chapter shall be deemed guilty of a misdemeanor punishable by a fine not exceeding one thousand dollars (\$1000.00), imprisonment for a term not to exceed six (6) months, or both, pursuant to chapter 1, section 1.7(a) of this Code. The city attorney may prosecute or authorize or direct the prosecution of this chapter as an infraction pursuant to chapter 1, section 1.7(b) punishable by the fines specified in chapter 1, section 1.7(b)(2) of this Code.
- (b) In addition to any penalties imposed pursuant to chapter 1.7 of this Code, any person who violates the provisions of this chapter may be issued an administrative citation by an enforcement officer pursuant to chapter 1, section 1.14 through 1.14.8 of this Code. **Notwithstanding anything in chapter 1, section 1.14.1 to the contrary, the enforcement officer is not required to issue a notice of violation prior to issuing an administrative citation for a violation of this chapter.**
- i. **Pursuant to Government Code section 36900(d), the civil penalties for violations of this chapter that pose a threat to public health or safety shall be one thousand five hundred dollars (\$1,500) for a first violation, three thousand dollars (\$3,000) for a second violation within one year of the prior violation, and five thousand dollars (\$5,000) for each additional violation within one year of the first violation. A permittee seeking a hardship waiver as set forth in Government Code section 36900(e) shall utilize the appeal procedures set forth in Oceanside City Code section 1.14.4.**
 - ii. **The civil penalty for operating a short-term rental without a valid permit, including but not limited to, operating with a revoked permit, shall be one thousand five hundred dollars (\$1,500) for a first violation and two thousand five hundred dollars (\$2,500) for a second and subsequent violation. In addition, a property owner who has received a second or additional violation for operating**

without a valid permit shall be ineligible for a short-term rental permit for a period of eighteen months from the issuance of the second or additional notice of violation.

- (c) Any property maintained in violation of this chapter is hereby declared to be a public nuisance that may be abated in accordance with chapter 17 of this Code.
- (d) In addition to any other remedy for violations of this chapter, the city manager or the city manager's designee may revoke a short-term rental permit for a violation of this chapter. The procedures set forth in chapter 15, section 15.5 shall apply to any proposed revocation of a short-term rental permit.

(Ord. No. 19-OR0408-1 , § 1, 6-19-19)

Sec. 24.9 Regulations.

The city manager, in consultation with the city attorney, is authorized to promulgate such regulations as may be necessary or convenient to implement this chapter.