THE CITY COUNCIL OF THE CITY OF SONORA

ORDINANCE NO. 898

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONORA AMENDING CHAPTER 17.64, TRANSIENT USE PERMIT, OF TITLE 17, ZONING, OF THE SONORA MUNICIPAL CODE TO REVISE REGULATIONS ON SHORT-TERM RENTALS

WHEREAS, the City of Sonora (the "City") adopted Chapter 17.64 of the Sonora Municipal Code in 2015 to allow short-term rentals by right in all residential, commercial, and tourist and administrative zoning districts; and

WHEREAS, the City amended Chapter 17.64 of the Municipal Code in 2021 to prevent dwelling units from exclusively being used as short-term rentals to address the lack of affordable housing in the City, in accordance with the City's Regional Housing Needs Assessment (RHNA) as projected in the adopted Housing Element of the General Plan; and

WHEREAS, in 2023, the City's adopted RHNA for housing need across all income levels for the City over the next five years is two housing units, which represents a 98 percent reduction in the City's projected RHNA: and

WHEREAS, on February 6th, 2023, City of Sonora adopted the Organization Review and Budget Stabilization Study which identifies a 5-year long spending approach to increase operational efficiency, prioritize critical needs, and pursue long-term growth strategies; and

WHEREAS, based upon the economic benefits and transit occupancy tax to be generated, an update to the Transient Use Ordinance relating to short-term rentals is a high-priority item identified in the 2023 Organization Review and Budget Stabilization Study; and

WHEREAS, the City derives significant revenue from the transient occupancy tax imposed by Chapter 3.20 of the Code, such that collection of all transient occupancy tax enables the City provide critical services; and

WHEREAS, the City wants to ensure long-term financial viability and facilitate economic development and tourism; and

WHEREAS, the City recognizes the importance of the tourism industry to the City due to its scenic vistas, rich Gold Rush History, and proximity to Yosemite National Park.

NOW, THEREFORE, THE CITY OF SONORA CITY COUNCIL DOES ORDAIN AS FOLLOWS:

<u>SECTION 1</u>. **AMENDMENT.** Chapter 17.64, Transient Use Permit, of Title 17, Zoning, of the Sonora Municipal Code as amended shall read as follows:

Chapter 17.64 **Transient Use Permit**

Sections:

17.64.010	Purpose.		
17.64.020	Definitions.		
17.64.030	Transient Use Permit Requirements.		
17.64.040	Operational Standards.		
17.64.050	Prohibitions.		
17.64.060	Expiration.		
17.64.070	Penalties; Permit Denial, Suspension, and Revocation		
17.64.080	Appeals.		
17.64.090	Amnesty Period.		
17.64.010	Purpose.		

The purpose of this Chapter is to:

Purpose.

- A. Achieve a balance of short-term rental uses and adequate housing stock for all economic segments of City residents. Allow short term rentals, while preserving the residential character and establish operating standards to reduce potential noise, parking, traffic, property maintenance and safety impacts on adjacent neighbors; and
- B. Provide a registration process for the City to track and enforce these requirements as needed and ensure appropriate collection of transient occupancy taxes.

17.64.020 **Definitions**

For the purpose of this Chapter, and except where otherwise expressly defined in this Chapter, the following words and phrases shall have the meanings provided in this Section. Where words and phrases are not expressly defined under this Section, they shall be construed as their ordinary meaning within the context which they are used:

"Code" means the Sonora Municipal Code.

"Guest" or "Guests" means the individual or individual(s) occupying the short-term rental for the purposes of staying overnight.

"Hosted short-term rental" is the rental of one (1) or more bedrooms in a dwelling unit where the operator remains in residence in one (1) or more bedrooms in the dwelling unit or resides in another dwelling unit on the same parcel, for the duration of the guest's stay. A hosted short-term rental is rented out for a period less than thirty (30) days.

"Local contact person" means an individual who is available by telephone on a twenty-four (24) hour basis and who maintains the ability to be onsite within thirty (30) minutes and who has access and authority to assume management of the short-term rental. The operator of the short-term rental or an agent or professional property management company that meets the availability requirements can serve as the local contact person.

"Operator" means any and all of the following: (i) the person who is a legal owner of a short-term rental; (ii) a person who has the legal right to possession of a short-term rental; (iii) any manager, agent, representative or other similar person acting under the authority or at the direction of the owner or other operator of a short-term rental.

"Quiet Hours" are the hours between 10:00 p.m. and 7:00 a.m. on Weekdays and 8:00 AM on Weekends in residential areas.

"Short-term rental" means a single-family dwelling, multi-family dwelling unit, studio, condominium, townhouse, duplex, guesthouse, bedroom within an existing residential unit, or junior accessory dwelling unit, rented for the purpose of continuous overnight lodging for a period of not less than one night and not more than thirty (30) days.

"Vacation rental home" or "vacation home" means the rental of an entire dwelling unit, which contains bedrooms, kitchens, and bathrooms, for a period less than thirty (30) days. An operator of a Vacation Home does not reside onsite for the duration of the guest's stay.

17.64.030 Transient Use Permit Requirements

- A. Transient Use Permit Required. Short-term rental uses consisting of hosted short-term rentals and vacation homes as defined herein, shall be permitted subject to the requirements of this chapter, including compliance with the operational standards, registration, Transient Occupancy Tax payments, and recordkeeping obligations required under the Code. A separate transient use permit shall be required and maintained in good standing for each parcel in which a transient use rental is located. The issuance of any permit pursuant to this Chapter does not relieve the owner of the obligation to comply with the other provisions of this Code pertaining to the use and occupancy of the short-term rental or the property in which it is located.
- B. Use Requirements. Each transient use parcel shall be used and maintained in a manner consistent with the character of the neighborhood in which it is located; shall not impair the desirability of investment or occupation of the surrounding neighborhood; and shall not have displayed thereon any sign that indicates the property is used or available for transient or short-term rental purposes. The maximum number of occupants eighteen or older in age authorized to stay overnight at any transient use parcel shall be limited to two persons per bedroom, plus one additional person per unit.
- C. Short-term rentals are prohibited in accessory dwelling units. It is unlawful for any person to advertise, maintain, operate or use a short-term rental within the City without a transient use permit, or in violation of this Chapter. It is unlawful for any person to advertise, maintain, operate, or use as a short-term rental an accessory dwelling unit as defined in Government Code section 65852.2, as it may be amended from time to time. No transient use permit shall be issued for any accessory dwelling unit. Each short-term rental occurring without a transient use permit, and each rental of an accessory dwelling unit shall be a separate violation.
- D. Transient Occupancy Tax. All transient use permits shall be subject to the transient occupancy tax pursuant to Chapter 3.20 of the Code.
- E. Business License Required. All short-term rental operators must obtain and maintain a business license pursuant to Chapter 5.10 of the Code.

- F. Exemption. The provisions of this Chapter shall not apply to the operation of any lawfully established bed and breakfast inn, motel, hotel, or timeshare development, subject to applicable provisions of this Code.
- G. Application process. An application for a transient use permit shall be submitted by the operator to the Community Development Department for consideration in accordance with the standards contained herein. Each transient use permit application shall be accompanied by a nonrefundable transient use permit fee as set by resolution of the City Council. Permits and fees required by this Chapter are in addition to any license, permit, certificate or fee required by any other chapter of this Code.
- H. Acceptance of Transient Use Permit; No Vested Rights. Acceptance by an operator of a transient use permit shall constitute acknowledgment and acceptance of, and consent to: (i) the requirements and provisions of this Chapter; (ii) the lack of any vested right to operate a short-term rental; (iii) the non-transfer of a transient use permit to any other parcel, location, or operator; and (iv) the City's right to adopt or amend at any time restrictions on the operation of short-term rentals, including without limitation a complete prohibition on short-term rentals.

17.64.040 Operational Standards.

All short-term rentals shall comply with the standards of this Section at all times and shall not generate other potential disturbances which may disrupt the peace, safety, and general welfare of the neighborhoods in which they are located.

- A. Operator Responsibilities. Operator and any local contact person shall respond in a reasonable and timely manner, to ensure that every occupant of the transient use parcel does not create or contribute to unreasonable use of the property, cause unreasonable noise or disturbance, engage in disorderly or unlawful conduct, or overcrowd the parcel. The operator shall inform guests that they must not violate the standards of this Chapter. The operator shall be responsible for taking any action necessary to ensure that guests abide by the terms of this Chapter and other applicable provisions of this Code.
- B. Local Contact Person. A local contact person shall be available by telephone when contacted by the City's employees or agents or the short-term rental's guest(s) on a twenty-four (24) hour basis. A local contact person shall be physically present at the short-term rental within thirty (30) minutes of contact. Upon receiving a call or complaint about physical conditions or circumstances that constitute an immediate threat to the public health and safety, the local contact person shall immediately contact the appropriate law enforcement, fire, or other authority. Upon receiving any call or complaint about the short-term rental, the local contact person shall cause the discontinuance of any violation of this Chapter as soon as practical.
- C. Parking. On-site parking shall be provided for each short-term rental guest to the extent on-site parking is possible on the parcel in which a transient use rental is located. A maximum of two motor vehicles shall be allowed to park on street, if no on-site parking is available, at the transient use parcel by the responsible tenant or any other occupant subject to availability and parking regulations. No guest of a short-term rental shall park a vehicle (including without limitation boat trailers and recreational vehicles) on the street or in an unpaved area. The operator may park his or her vehicle on the street.

- D. Trash Collection. Except for trash properly deposited in trash collection receptacles, accumulation of trash and debris outside of a short-term rental at any time is prohibited. Each short-term rental shall obtain solid waste and recyclable collection and disposal service from the City's franchisee.
- E. Smoke Alarms. Smoke alarms, in good working order, shall be installed at a minimum in each bedroom, and at least one alarm on every level of the short-term rental, including basements and habitable attics.
- F. Carbon Monoxide Alarms. Carbon monoxide alarms, in good working order, shall be installed in accordance with current California Building Code requirements, and shall be installed in accordance with the manufacturer's installation instructions.
- G. Fire Extinguisher and Ash Can. Each short-term rental shall be equipped with one five-pound fire extinguisher, type 2A-10BC, installed at a readily available location near the kitchen. If the short-term rental has more than one level, an extinguisher must be mounted within each level. Fire extinguishers shall be inspected annually by a certified professional to ensure the extinguishers are in good working order. Each short-term rental with a wood-burning fireplace or woodstove shall be equipped with a metal container at least five gallons in size with a tight-fitting lid, which shall be clearly labeled for ash disposal.
- H. Visible Address. Each short-term rental shall have an address identification. The address identification shall be legible and placed in a position that is visible from the street or road fronting the property. Whenever the address on the short-term rental unit will not be clearly visible from the street or access road fronting the property, the address shall also be placed at the public street or access road in a manner which is clearly visible from both directions of travel on the frontage road or street. Address identification characters shall contrast with their background and conform to the minimum size requirements of the Section 505.1 of the California Fire Code, latest edition, of which requires numbers four (4) inches tall with a minimum stroke thickness of one-half (1/2) inch. A short-term rental in a condominium building that does not have an individual address may utilize the condominium building address and shall clearly identify each unit number.
- I. Noise. All tenants are responsible for honoring the property's Quiet Hours which are from 10:00 PM to 7:00 AM on Weekdays and 8:00 AM on Weekends. The following acts or conditions are hereby declared to be public nuisances:
 - 1. Behavior constituting violation of California Penal Code Section <u>407</u> or <u>415</u> in a residential area between the hours of 10:00 PM and 7:00 AM on Weekdays and 8:00 AM on Weekends; or
 - 2. Noise that is unreasonably loud, raucous, or jarring to persons within the residential area during guiet hours.
- J. Good Neighbor Policy. Please be mindful that you are staying as a guest in a residential community. As a member of the community, we value our relationships with our neighbors. The City's goal is to ensure the neighbors are not disturbed so please ensure that all occupants are aware of the enclosed policies of this Chapter. Any noise disturbances or violations of this Chapter may result in fines.

If you are fortunate enough to be visiting the City while on vacation, please note that your schedule may differ from that of your neighbors. The following policies are designed to ensure there are no noise or other disturbances:

- 1. Quiet time starts at 10:00 p.m. the use of outdoor spaces after 10:00 p.m. should be limited. Please monitor your group at 10:00 p.m. and be aware that open windows and doors may allow sounds to carry and disturb others.
- 2. When returning from an evening out, please keep your voices to a level that will not disturb the neighborhood.
- 3. The surrounding neighbors have access to a 24/7 City contact number that they may call to file a complaint. As a reminder, any noise disturbances or violations of the Chapter may result in fines.
- K. Fireplaces. Residential outdoor burning is limited to fire pits, outdoor fireplaces, and similar free-standing devices meeting the following criteria. Additionally, an outdoor fire can be used for the cooking of food.
 - 1. Only dry vegetation/wood and clear unpainted untreated dry lumber with a small amount of starter materials, such as hay or small kindling, can be burned. Flammable liquids shall not be used.
 - 2. Portable Outdoor Fire Pits and Outdoor Fireplaces: These devices, sold by many businesses, fully contain the fire by means of a metal screen or grate and shall be utilized in accordance with the manufacturer's instructions.
 - 3. All outdoor fireplaces must be constantly attended to until the fire is completely extinguished.
 - 4. A portable fire extinguisher with a minimum 4-A rating or other on-site fire extinguishing equipment such as sand or a garden hose much be available for immediate utilization.
 - 5. Smoke from burning cannot bother or cause a nuisance to neighbors.
- L. Affidavit. An affidavit prepared by the City shall be provided to the operator. The operator shall sign and acknowledge that the short-term rental is in compliance with the standards contained in this Chapter. The operator shall also acknowledge that disclosure of the standards in this Chapter are provided to the tenants via terms of the rental agreement.
- M. Fire Inspections and Other Inspections. The operator of each short-term rental shall allow Sonora Fire Department staff to conduct an initial inspection prior to the issuance of a transient use permit and upon request by the City, to ensure the short-term rental complies with:
 - 1. The requirements of this Chapter, including requirements pertaining to smoke alarms, carbon monoxide alarms, fire extinguishers, visible address, outdoor fireplaces and fire pits, and grills and barbecues: and
 - 2. The City's defensible space requirements pursuant to Chapter 8.12.

In addition, the operator of each short-term rental shall allow the Sonora Fire Department staff to conduct an inspection every three (3) years. However, if violations have occurred, inspections may

be requested by the City periodically to ensure that the short-term rental is in compliance with the standards of this Chapter.

All inspections, including re-inspections due to non-compliance and inspections prompted by complaints, are subject to the applicable Sonora Fire Department's fee schedule cost for inspections.

17.64.050 Prohibitions.

- A. Outdoor Fireplaces. No burning pits, bonfires, or campfires are permitted to occur at short-term rentals.
- B. Grills and barbeques. Grills and barbeques are not permitted beneath a potentially flammable source including trees, umbrellas, decks, or other appurtenant structures. All grills and barbecues shall be no less than ten (10) feet away from a structure and any flammable materials, such as a woodpile.
- C. Subletting. Guests are prohibited from subletting a short-term rental. Only operators with a valid transient use permit may advertise and rent a residential unit as a short-term rental.
- D. Special events. Weddings, corporate events, commercial functions, and any other similar events are prohibited from occurring at a short-term rental property. The occurrence of any such event which violates any such requirements shall be a separate violation of this Chapter, in addition to the violation created by noncompliance with such requirements.

17.60.060 **Expiration.**

- A. Transfer. Permits are not transferable upon change in ownership. A transient use permit issued under this Chapter shall expire upon sale or transfer of the short-term rental.
- B. Cessation. A Transient Use Permit will expire if the use of the short-term rental ceases for more than 6 months. The cease of the short-term rental use will be evaluated by the reporting and remittance of Transient Occupancy Tax through the process defined in SMC 3.20.080.
- C. Notification of Cessation or Transfer. Upon sale, transfer, or intent to cease use of the short-term rental unit or any portion of the unit for a short-term rental, the permit holder shall notify the Community Development Department and make all applicable payments as defined in SMC 3.20.

17.64.070 Penalties; Permit Denial, Suspension, And Revocation.

A. It is a misdemeanor and a public nuisance to violate any of the provisions of this Chapter. Violations of this Chapter are subject to the administrative citation provisions set forth in Chapter 1.20 of this Code, provided that fines for violations of this Chapter shall be as set forth in this Section. Any person violating the provisions of this Chapter, including without limitation guests, operators, and local contact persons may be subject to administrative or judicial remedies as set forth in this Section. The owner of a short-term rental shall be deemed responsible for all violations of this Chapter occurring at the short-term rental or in connection with its operation, provided that this shall not preclude the City from issuing fines or citations to guests, or exercising other remedies against guests, if the guests are deemed to have committed the violation.

- B. The City shall have the authority to suspend or revoke a transient use permit, or to maintain an action for injunctive relief for violations of this Chapter.
- C. Unless otherwise expressly provided, the remedies, procedures and penalties provided by this Section are cumulative as to each other and to any others available under state law or this Code. In the event of any conflict between the penalties set forth in this Chapter and any penalties set forth in state law, the maximum penalties allowable under state law shall govern.
- D. In the event the City is required to bring legal action to enforce any provision of this Chapter, the prevailing party shall be entitled to recover its reasonable attorney's fees, interest, court costs and other costs incurred in such action; provided that, such fees shall only be available in those actions or proceedings in which the City has provided notice at the commencement of such action or proceeding that the City intends to seek and recover attorney's fees.
- E. Enforcement. An administrative penalty of up to five hundred dollars (\$500) per day may be imposed for each violation of this Chapter contained in a first administrative citation, and up to one thousand dollars (\$1,000) per day for each violation contained in a second or subsequent administrative citation. A prior citation for purposes of this Subsection shall be an earlier administrative citation for violation of this Chapter on the same property that occurred less than one (1) year prior to the current citation, provided that a previous citation issued to a guest shall not be deemed a prior citation for purposes of calculating the penalty for a subsequent citation issued to a different guest at the same property.
- F. Denial, Suspension or Revocation of a Transient Use Permit. The City may deny, suspend or revoke a transient use permit for any of the following reasons:
 - 1. The transient use permit application is incomplete;
 - 2. The transient use permit application contains a false or misleading statement or omission of a material fact:
 - 3. The short-term rental, operator or guest is currently in violation of, or has been found to be in violation of, any local, state or federal laws, statutes, ordinances, rules or regulations pertaining to the operation of a short-term rental;
 - 4. The transient use permit of a short-term rental for which three (3) citations have been issued for violations of this Chapter within a 12-month period and not overturned on appeal, including without limitation citations issued to guests and citations issued to operators, shall be revoked, and a new permit shall not be issued for a period of 12 months from the date of the permit revocation.
 - 5. The operator is delinquent on any payment to the City of any fees, penalties, taxes, or any other monies related to the short-term rental including, but not limited to, transient occupancy taxes;
 - 6. A transient use permit application may be denied due to prior revocation or suspension of a transient use permit;
 - 7. The operation of a short-term rental is a threat to the public health, safety, or welfare;

- 8. The lack of a fire inspection pursuant to Section 17.64.040, Subsection (I), a failed fire inspection unless documentation is provided that the conditions causing the failure were corrected and the short-term rental passed a subsequent fire inspection, or a refusal to allow a fire inspection or other inspection of the short-term rental;
- 9. Absence or expiration of a transient use permit;
- 10. Any required application fee or renewal fee has not been paid.

17.64.080 Appeals.

- A. Any operator or guest may appeal a penalty imposed pursuant to this Chapter, or a denial, suspension, or revocation of a transient use permit to a hearing officer designated by the City Administrator by filing a notice of appeal with the City Clerk within 10 calendar days of the serving or mailing of notice of the action taken.
- B. Following receipt of a notice of appeal, the City Clerk shall give not less than five (5) days' written notice to the appellant, and to the complainant, if any, of an appeal hearing at a time and place fixed in the notice by personal service or mail.
- C. At the hearing, the operator or guest may appear and offer evidence why the action being appealed should be overturned or modified.
- D. After such hearing the hearing officer shall determine whether the action should be sustained, overturned, or modified and shall thereafter give written notice to the appellant in by personal service or mailing of the notice of the decision.
- E. An operator or guest aggrieved by the hearing officer's decision regarding such appeal may appeal to the City Administrator by filing a notice of appeal with the City Clerk within ten (10) calendar days of the serving or mailing of notice of the hearing officer's decision. The City Clerk shall fix a time and place for hearing such appeal, and the City Clerk shall give notice in writing to such operator at the last known place of business or to such guest at the guest's address as set forth in the appeal. At the hearing, the appellant shall have the right to testify, to be represented by counsel, to present witnesses on the appellant's behalf, to cross-examine all other witnesses and to present oral and written documents and evidence on the issues. The findings of the City Administrator are final and conclusive and shall be served upon the appellant by personal service or mailing of the notice of the decision. Any fine or penalty found to be due is immediately due and payable upon the service of notice.

17.64.090 Amnesty Period And Exemptions.

A. Notwithstanding any other provision of law, the City Administrator, in his or her sole discretion, may exempt short-term rentals with an active transient use permit in good standing as of July 1, 2021 from compliance with this Chapter for a period of ninety (90) days after the effective date of this Chapter. The purpose of the amnesty period codified in Section 17.64.080(A) is to allow exempted short-term rentals to conform to the requirements of this Chapter, except as otherwise provided herein. Transient occupancy tax payments continue to be required at all times for short-term rentals and must be collected and paid during and after the amnesty period.

- B. The provisions of this Section shall only apply to short-term rentals operating with a continuously active transient use permit in good standing.
- C. Short-term rentals operating pursuant to this Section that do not conform to the applicable requirements for short-term rentals shall cease operation and shall be prohibited from operating unless and until the short-term rental conforms to the requirements of this Chapter and obtains a new transient use permit.

SECTION 2. SEVERABILITY. If any section, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 3. PUBLICATION AND EFFECTIVE DATE. This ordinance shall become effective thirty (30) days from and after its final passage and adoption, provided it is published in a newspaper of general circulation at least within fifteen (15) days after its passage or a summary of the Ordinance is published in a newspaper of general circulation at least five (5) days prior to adoption and again at least within fifteen (15) days after its passage.

<u>SECTION 4.</u> CERTIFICATION OF COUNCIL ADOPTION AND APPROVAL. This Ordinance was introduced at a regular meeting of the City Council held on June 3, 2024, and passed and adopted as Ordinance No. 898 at a regular meeting of the City Council held on June 17, 2024, by the following vote:

NOES:			
ABSENT OR A	ABSTAIN:		
			Mark Plummer, Mayor, City of Sonora
		ATTEST:	Tracy Skelly, City Clerk, City of Sonora
Approved as	to Form:		
Douglas L. White, City Attorney			
Publish:	The Union Democr	rat, Sonora , 2024	