



Honorable Mayor and Members of the Hermosa Beach City Council

INTRODUCE AN ORDINANCE AMENDING SECTION 17.42.180.D OF THE HERMOSA BEACH MUNICIPAL CODE, ZONE TEXT AMENDMENT (TA 25-02), TO EXTEND THE SHORT-TERM VACATION RENTAL PROGRAM FOR AN ADDITIONAL TWO YEARS UNTIL OCTOBER 25, 2027

CEQA: Determine the Ordinance is exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3) of the CEQA Guidelines.
(Community Development Director Alison Becker)

Recommended Action:

Staff recommends City Council:

1. Conduct a public hearing to consider amending Section 17.42.180.D of the Hermosa Beach Municipal Code, extending the short-term vacation rental program for an additional two years until October 25, 2027; and
2. Introduce by title only and waive first reading of an Ordinance approving Zone Text Amendment (TA 25-02) (**Attachment 1**).

Executive Summary:

The City updated and extended the Short-Term Vacation Rental Pilot Program on September 26, 2023, which is set to expire on October 24, 2025. Staff has prepared an ordinance to extend the program another two years without any additional change to the regulations.

Background:

A Short-Term Vacation Rental (STVR) is the rental of a dwelling unit, or a portion of a dwelling, for compensation by way of a rental agreement, lease, license, or any other means, whether oral or written to a person or group of persons for temporary overnight accommodation for a period of less than 30 consecutive days.

At its May 24, 2016 meeting, City Council adopted Ordinance 16-1365 amending Sections 17.08.015, 17.10.015, 17.12.015, 17.14.015, 17.16.015, 17.18.025, 17.20.015, and 17.42.180 of the Hermosa Beach Municipal Code (HBMC) to expressly prohibit the leasing or advertising of a rental unit for less than 30 days in all residential zones.

At its October 10, 2019 meeting, City Council adopted Ordinance No. 19-1395, instituting a two-year pilot program to allow STVRs in most commercial zones with nonconforming

residential uses. The pilot program, known as the Short-Term Vacation Rental Pilot Program, was implemented to investigate the benefits of allowing rentals less than 30 days in the City’s commercial zones. The pilot program maintained existing regulations prohibiting the advertisement of STVRs not permitted through the pilot program.

At its December 14, 2021 meeting, City Council adopted Ordinance 21-1440 to extend the pilot program an additional two years, with revisions to clarify existing requirements. Revisions included adding referenced municipal code sections and title and updating formatting to make it easier to read. The ordinance established a new expiration date of October 24, 2023.

At its September 26, 2023 meeting, City Council adopted Ordinance 23-1468 to extend the pilot program another two years and further clarify permitting requirements.

At its December 12, 2023 meeting, the City Council adopted Ordinance 24-1473 approving minor text changes to clarify the City’s regulation of advertisements for STVRs in all zones.

Past Board, Commission, and Council Actions

Meeting Date	Description
March 2016	Planning Commission directed staff to 1) set a public hearing to consider a text amendment to clarify the existing regulations that prohibited short-term vacation rentals in residential zones; and 2) analyze the feasibility of allowing short-term vacation rentals within nonconforming residential units within commercially zoned properties.
May 24, 2016	After several Planning Commission and City Council public hearings to consider the ban on short-term vacation rentals in residential zones, the City Council adopted Ordinance 16-1365, which clarified the existing City regulations that prohibited short-term vacation rentals in all residential zones.
June 21, 2016	Staff introduced the potential for allowing short-term vacation rentals within nonconforming residential uses in commercial zones to the Planning Commission.
September 20, 2016	The Planning Commission received an informational update on staff efforts to explore allowing short-term vacation rentals in commercial zones. Staff discussed other jurisdictions’ criteria.
November 15, 2016	Based on recommendations from the Planning Commission at the September 20, 2016 meeting, staff prepared a draft set of criteria that would be the basis for a draft ordinance and presented them to the Planning Commission.

Meeting Date	Description
December 12, 2016	The Planning Commission conducted its final public hearing on the text amendment. After considering all the oral and written testimony provided to them over the four meetings, the Planning Commission voted 3-2 not to adopt the resolution recommending the City Council adopt a text amendment to regulate short-term vacation rentals in existing nonconforming residential units located in commercial zoning districts.
March 28, 2017	The City Council conducted a public hearing to consider a text amendment to the municipal code to establish a two-year pilot program to allow short-term vacation rentals in nonconforming residential dwelling units on properties that are commercially zoned. At the conclusion of the hearing, the City Council provided staff with direction for the ordinance.
September 10, 2019	At the City Council meeting, staff presented the draft ordinance for Council consideration. Following the public hearing, the City Council introduced the ordinance, on a 4-1 vote with Mayor Armato dissenting, with amendments to Section 3 of the ordinance.
September 24, 2019	On September 24, 2019, the Ordinance was brought back to City Council for adoption; however, the City Council changed the Language of Subsection A.3(c).
October 10, 2019	The Ordinance was brought back to Council with the requested changes for waiver of full reading and adoption. After considering all the oral and written testimony provided to them over the two meetings, City Council voted 4-1 to adopt Ordinance 19-1395 an Ordinance of the City of Hermosa Beach, California, amending various sections of the Hermosa Beach Municipal Code to establish a two-year pilot program to regulate the rental of existing nonconforming residential properties that are located in commercial zoning districts for fewer than 30 days.
September 21, 2021	During the September 21, 2021 Planning Commission hearing, staff sought direction from the Commission on whether to continue the vacation rentals pilot program and amend existing language to help clarify and clear up existing requirements for short-term vacation rentals. After discussion and deliberation, the Planning Commission directed staff to set a public hearing to consider a text amendment to continue the Short-Term Vacation Rentals Pilot Program for two additional years, for a total of four years from the ordinance effective date of October 24, 2019 and amend the existing language to help clarify and

Meeting Date	Description
	clear up the existing requirements for short-term vacation rentals.
October 19, 2021	The Planning Commission conducted its final public hearing on the text amendment. After considering all the oral and written testimony provided to them over the two meetings, the Planning Commission voted 5-0 not to adopt the resolution recommending the City Council adopt a text amendment to continue the Short-Term Vacation Rentals Pilot Program for two additional years, for a total of four years from the ordinance effective date of October 24, 2019 and would revise the existing language to help clarify and clear up the existing requirements for short-term vacation rentals.
October 26, 2021	City Council heard public testimony. City Council moved first reading of Ordinance No. 21-1440.
December 14, 2021	City Council approved Ordinance No. 21-1440 to continue the STVR program an additional two years and modify existing language concerning permit requirements.
August 15, 2023	Planning Commission conducted a public hearing and adopted Resolution No. 23-12, recommending City Council approval of an Ordinance.
September 12, 2023	City Council approves Zone Text Amendment 23-04, moving Planning Commission recommendation.
November 13, 2023	Planning Commission conducted a public hearing and adopted Planning Commission Resolution 23-23, recommending to City Council approval of an Ordinance.
December 12, 2023	City Council approves Zone Text Amendment 23-05, clarifying the city's regulation of advertisement of short-term rentals.

Discussion:

STVRs are currently only allowed in existing nonconforming residential properties on specific commercially zoned properties. Those properties are limited to the C-2, C-3, SPA 7, SPA-8 and SPA-11 zones (**Attachment 2**). This Zone Text Amendment is limited to a time extension of City's Short-Term Vacation Rental Pilot Program which is set to expire on October 24, 2025. The Zone Text Amendment proposes no change to the general prohibition of STVRs in all residential zones or any other regulation.

Extending the program an additional two years would allow existing permitted STVRs to continue operation through October 24, 2027 in accordance with the provisions of the Short-Term Vacation Rental Ordinance.

Environmental Determination:

The Zone Text Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3). The activity is covered by the commonsense exemption that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

The Zone Text Amendment would not approve any development project or create any new land use provisions that would allow new development and therefore would not cause a significant effect on the environment.

Fiscal Impact:

There is no fiscal impact associated with the recommended actions.

Public Notification:

A legal ad noticing the September 9, 2025, City Council meeting was published on August 28, 2025, in the Easy Reader, a newspaper of general circulation and posted on the city's website.

Attachments:

1. Draft Ordinance
2. HBMC Section 17.42.180 Short-Term Vacation Rentals

Respectfully Submitted by: Alexis Oropeza, Planning Manager

Concur: Alison Becker, AICP, Community Development Director

Noted for Fiscal Impact: Brandon Walker, Administrative Services Director

Legal Review: Todd Leishman, Interim City Attorney

Approved: Steve Napolitano, Interim City Manager