

**ORDINANCE NO. 21-1440**

**AN ORDINANCE REGARDING SHORT-TERM VACATION RENTALS PERMIT AND AMENDING THE HERMOSA BEACH MUNICIPAL CODE SECTION 17.40.230 RELATING TO SHORT-TERM VACATION RENTALS AND DETERMINING THE ORDINANCE TO BE EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).**

The City Council of Hermosa Beach does ordain as follows:

**SECTION 1.** The Planning Commission held a duly noticed public hearing on October 19, 2021, to consider amending the Hermosa Beach Municipal Code Section 17.40.230 related to Short-term Vacation Rentals (TA 21-03).

**SECTION 2.** The City Council held a duly noticed public hearing on October 26, 2021, not to exceed forty (40) calendar days following the Planning Commission's recommendation, to consider amending the Hermosa Beach Municipal Code Sections 17.40.230 of Chapter 17.40 related to Short-term Vacation Rentals (TA 21-03).

**SECTION 3.** The City Council of the City of Hermosa Beach hereby further finds, determines, and declares The project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), which states that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Inasmuch as this is a pilot program that allows existing structures to change their use (from long term residential to more transient occupancy), and has strict operational requirements, it can be seen with certainty that there is no possibility that the activity in question will have a significant effect on the environment.

**SECTION 4.** The proposed amendments to Title 17 of the Hermosa Beach Municipal Code are to continue the Short-term Vacation Rentals Pilot Program. The amendments will not impede the City's ability to meet its General Plan goals and the amendments are necessary to carry out the purposes of the Zoning Ordinance, including the orderly planned use of land resources.

**SECTION 5.** Section 17.40.230 of Chapter 17.40 of Title 17 of the Hermosa Beach Municipal Code is amended:

**17.40.230 Short-term vacation rentals.**

It shall be unlawful for any person to offer or make available for rent or to rent (by way of a rental agreement, lease, license or any other means, whether oral or written) for compensation or consideration a residential dwelling, a dwelling unit or a room in a dwelling for less than 30 consecutive days and for any person to occupy a residential dwelling, a dwelling unit or a room in a dwelling for less than 30 consecutive days pursuant to a rental agreement, lease, license or any other means, whether oral or written,

for compensation or consideration except for short-term vacation rentals in nonconforming residential dwelling units in certain commercial zones in compliance with the following requirements.

This section sets forth requirements for the establishment and operation of short-term vacation rentals in nonconforming residential dwelling units in certain commercial zones.

**A. Permit and Operational Requirements.** The approval of operation of a short-term vacation rental shall be subject to the following requirements:

1. **Administrative Permit Required.** Short-term vacation rentals may be established and operated only after an administrative permit has been approved in compliance with Chapter 17.55. The administrative permit for a short-term vacation rental shall be valid for one calendar year from the date of issuance and may be renewed annually thereafter; provided, that this Section remains in effect and has not expired.

- a. Prior to granting of an administrative permit for operation of a short-term vacation rental, the premises shall be inspected by the Building Official for compliance with all applicable building and safety codes. Renewal of said administrative permit is subject to inspection by the Building Official for compliance with all applicable building and safety codes, as well as compliance with the then applicable Municipal Code regulations regarding short-term vacation rental rentals. An inspection fee for third and subsequent inspections, may be charged for these additional inspections.
- b. An application for a new or renewal of an administrative permit shall include payment of all required fees.
- c. The application submittal shall include a list of the Uniform Resource Locations (URL) where the property is listed online and the applicant shall keep the list current at all times.
- d. Short-term vacation rentals established under this Section shall have no vested right to continued existence.

2. **Location.** Short-term vacation rentals shall only be permitted in nonconforming residential dwellings on properties zoned C-2, C-3, SPA 7, SPA 8 or SPA 11.

- a. For purposes of this Section, a "nonconforming residential unit" shall mean a residential dwelling unit that was lawfully established and maintained as a dwelling unit as of October 24, 2019. If the unit is converted into a nonresidential use, then it shall be deemed the termination of the existing nonconforming residential use, and thereby the unit loses any nonconforming status as a residential use and loses any right to operate as a short-term vacation rental.

3. Management and Operations Plan. In addition to any other requirements for an application for an administrative permit, or any conditions of approval contained therein, the application to establish and operate a short-term vacation rental shall be accompanied by a management plan, which shall establish, to the satisfaction of the Community Development Director, or his/her designee, the following:

- a. The reasonably prudent business practices that owner or owner's authorized agent will use to ensure that the short-term vacation rental unit is used in a manner that complies with all applicable laws, rules, regulations, and permits.
- b. An identification plaque posted and maintained at all times, within plain view of and legible to the general public, not exceeding six square feet in size, and containing address of premises and permit number, and telephone number of Hermosa Beach Police Department dispatch for complaints regarding condition, operation or conduct of occupants of the unit. The Director may alter the size requirement to ensure the plaque is legible from the adjacent public right-of-way.
- c. The name, address and telephone number of a local contact person who shall be available 24 hours per day, seven days per week for the purpose of responding to City staff calls pertaining to complaints regarding the condition, operations, or conduct of occupants of the short-term vacation rental or their guests, and if directed by City staff, to personally proceed on site within 30 minutes from the call to resolve the problem.
- d. The owner or the owner's authorized agent shall, upon notification that any occupant or guest of the short-term vacation rental unit has created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of any applicable law, rule or regulation pertaining to the use and occupancy of the short-term vacation rental unit, respond in a timely and appropriate manner to immediately halt or prevent a recurrence of such conduct. Failure of the owner or the owner's authorized agent to respond to such calls or complaints regarding the condition, operation, or conduct of the occupants and/or guests of the short-term vacation rental unit in a timely and appropriate manner shall subject the owner to all administrative, legal and equitable remedies available to the City.
- e. The owner and/or the owner's authorized agent shall use reasonably prudent business practices to ensure that the occupants and/or guests of the short-term vacation rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct or illegal activity, or violate any applicable law, rule or regulation pertaining to the use and occupancy of the short-term vacation rental unit.
- f. The owner and/or the owner's authorized agent shall use reasonably prudent business practices to ensure that the short-term vacation rental unit is used for overnight accommodations purposes only. This shall include using all prudent business practices to prohibit the rental to commercial party businesses.

- g. Prior to occupancy of a short-term vacation rental unit, the owner or the owner's authorized agent shall:
  - i. Obtain the contact information of the renter.
  - ii. Provide a copy of the city's "Good Neighbor" brochure containing these requirements to the renter.
  - iii. Require the renter to execute a formal acknowledgement that he or she is legally responsible for compliance by all occupants of the short-term vacation rental unit and their guests with all applicable laws, rules and regulations pertaining to the use and occupancy of the short-term vacation rental unit.
  - iv. The information required in subsections (A)(3)(g)(i) and (A)(3)(g)(iii) of this Subsection shall be maintained by the owner or the owner's authorized agent for a period of three years and be made available upon request to any officer of the City responsible for the enforcement of any provision of the Municipal Code or any other applicable law, rule or regulation pertaining to the use and occupancy of the short-term vacation rental unit.
- h. The property shall be maintained free of litter and debris. Trash and refuse shall not be left or stored within public view, except in proper containers for the purpose of collection by the City's authorized waste hauler on scheduled trash collection days. The size or number of containers and/or frequency of pick-up (if permitted by the City's authorized waste hauler) shall be increased if needed to accommodate the amount of trash generated by all uses on the site.
- i. On-site parking shall be allowed on approved driveway, garage and/or carport areas only. Parking of oversized vehicles must comply with the provisions of Chapter 10.32, Stopping, Standing and Parking, of the Municipal Code.
- j. Approved on-site parking space(s), including all enclosed garages, shall be kept free and clear to accommodate vehicular parking for renters/guests during all times the unit is in use as a short-term vacation rental.
- k. The number of adult occupants allowed to occupy any given short-term vacation rental unit shall be limited to two (2) per bedroom/sleeping area.
- l. The Director, shall have the authority to impose additional conditions on the use of any given short-term vacation rental to ensure that any potential secondary effects unique to the subject short-term vacation rental unit are avoided or adequately mitigated.
- m. The owner or owner's authorized agent shall post the current short-term vacation rental permit number, a photograph of the front of the property where the short-

term vacation rental unit is located, as well as the number of approved on-site parking spaces available, in any written publication or on any website that promotes the availability or existence of a short-term vacation rental unit.

4. The owner shall comply with all requirements related to a business license under Chapter 5.04, Business Licenses Generally, of the Municipal Code, and related to the transient occupancy tax under Chapter 3.32, Transient Occupancy Tax, of the Municipal Code for the operation of the short-term vacation rental.

B. Development Standards. Short-term vacation rentals shall conform to the following standards:

1. On-site parking shall be provided as required under Chapter 17.44.
2. A private kitchen area, shower and toilet facilities, and at least one room/area designated as a sleeping area shall be provided in each unit.

C. Violations. Violations of this Section are subject to the following standards.

1. Any violation of this Section shall result in issuance of an administrative citation pursuant to Chapter 1.10, Administrative Citations and Penalties, of the Municipal Code.

2. More than three violations of this Section or any of the City's quality of life ordinances, such as noise violations, disturbing the peace, or creating a public nuisance, within a 12-month period shall be grounds for revocation of the Business License and administrative permit in accordance with provisions of the Code, provided the three violations have been affirmed by a Hearing Officer in the event they are appealed.

D. Sunset Clause. The provisions in this section shall become inoperative on October 24, 2023, and shall be considered repealed on that date, unless the city council of Hermosa Beach enacts a new ordinance that becomes effective on or before October 24, 2023, and which deletes or extends that date. No new or renewals of administrative permits and/or business licenses for short-term vacation rentals shall be issued after October 24, 2023, and no permitted short-term vacation rental shall have a right to operate beyond the term of the permit.

**SECTION 6.** The City Council of the City of Hermosa Beach hereby finds, determines, and declares the recitals and findings above are true and correct and are adopted as findings by the City Council.

**SECTION 7.** The City Council of the City of Hermosa Beach hereby further finds, determines, and declares the Text Amendment is consistent with the goals and policies of PLAN Hermosa (the City's combined General Plan and Local Coastal Program) adopted in August 2017. The Text Amendment supports PLAN Hermosa goals

and policies that are listed below. Specifically, the Text Amendment will implement, in part, the following policies in the Land Use Element of the General Plan:.

*Land Use Element*

**Goal 8. A range of coastal-dependent and visitor-serving uses available to serve a variety of income ranges and amenity desires. Provision of adequate accommodations and recreational uses can help to enhance both the visitor and resident experience when frequenting the beach and nearby coastal destinations.**

*Policy:*

- **8.2 Coastal-related uses.** Accommodate coastal-related uses within reasonable proximity to the coastal-dependent uses they support.

**PASSED, APPROVED and ADOPTED** this 14th day of December, 2021 by the following vote:

AYES: Councilmembers Massey, Campbell, Armato, Mayor Pro Tem Jackson, and Mayor Detoy

NOES: None

ABSENT: None

ABSTAIN: None

*Michael Detoy*  
President of the City Council and MAYOR of the City of Hermosa Beach, California

**ATTEST:**

**APPROVED AS TO FORM:**

*Susan Morrow*  
Susan Morrow, Interim City Clerk

*Michael Jenkins*  
Michael Jenkins, City Attorney

State of California )  
County of Los Angeles ) ss  
City of Hermosa Beach )

December 15, 2021

**Certification of Council Action**

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I, Susan Morrow, Interim City Clerk of the City of Hermosa Beach do hereby certify that the above and foregoing Ordinance 21-1440 was duly approved and adopted by the City Council of said City at its regular meeting thereof held via teleconference on the **14th day of December, 2021** and passed by the following vote.

**AYES: COUNCILMEMBERS ARMATO, CAMPBELL, MASSEY, MAYOR PROTEMPORE JACKSON, MAYOR DETOY**

**NOES: NONE**

**ABSTAIN: NONE**

**ABSENT: NONE**

  
Susan Morrow  
Interim City Clerk