

**ORDINANCE NO. 2019-10**

**ORDINANCE OF THE CITY COUNCIL OF THE  
CITY OF SAN JUAN BAUTISTA ADDING A NEW CHAPTER 3.9 TO THE SAN JUAN  
BAUTISTA MUNICIPAL CODE ESTABLISHING A PERMITTING PROCESS AND  
STANDARDS FOR SHORT-TERM RENTALS**

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WHEREAS, the City Council asked the City Attorney to provide the City Council with an Ordinance to allow permits to be issued for Short-Term Rentals and Business License Tax and Transient Occupancy Tax to be collected; and

WHEREAS, the City Council asked the Planning Commission to review the Ordinance and hold a public hearing to determine whether there was any concern expressed by the public with the proposed ordinance.

WHEREAS, the Planning Commission had a public hearing on September 3, 2019 and there being no significant public opposition recommends approval by the City Council

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN JUAN  
BAUTISTA HEREBY ORDAINS AS FOLLOWS:**

SECTION 1. Chapter 3.9 is hereby added to the San Juan Bautista Municipal Code, to read as follows:

**Chapter 3.9  
SHORT-TERM RENTALS**

**3.9-100 Purpose**

The purpose of this chapter is to establish a permitting process and appropriate standards for Short-term Rentals ("STR") of a whole dwelling unit, or portion of the same, for a period of twenty-nine (29) consecutive days or less.

**3.9-200 Definitions**

For the purposes of this chapter, the following definitions shall apply:

- A. "Hosting Platform" means a marketplace in whatever form or format which facilitates the home-sharing or vacation rental, through advertising or other means, using any medium of facilitation, and from which the operator of the housing platform derives revenues, including booking fees or advertising revenues, from providing or maintaining the marketplace.
- B. "Registry" or "City Registry" is the list of STR permits issued in a calendar year. The City shall bear responsibility for keeping the Registry up-to-date with current permits.
- C. "STR Guest(s)" or "Guest(s)" means any person or group of persons staying at a STR for no more than twenty-nine (29) consecutive days.
- D. "STR Administrator" or "Administrator" means the person who is the designated agent or representative of the STR Owner and who is responsible, together with the STR Owner, for compliance with the conditions of this Chapter.
- E. "STR Owner" or "Owner" means the person, firm, corporation or partnership, individually, jointly, in common, or in any manner whereby such property is under single or unified control holding fee title which rents a dwelling operated and used as a STR.
- F. "Short-term Rental" or "STR" means a Dwelling Unit or Dwelling, multifamily, or any portion thereof, rented for occupancy for lodging or sleeping purposes for a period of twenty-nine consecutive (29) days or less.
- G. "Transient Occupancy Tax" or "TOT" means local transient tax as set forth in Chapter 3.4 of this Code. The tax is paid by the Guest when paying for their rental. The collected TOT is then remitted to the City.

### **3.9-300 Short-term Rental Requirements and Conditions**

- A. *Compliance with Applicable Laws.* The Owner and Administrator must comply with all applicable laws, rules, and regulations pertaining to the use and occupancy of the STR.
- B. *Short-term Rental Permit required.* A permit from the City (hereinafter referred to as a "STR Permit") is required for all STRs. No person shall rent, offer to rent, or advertise for rent any STR for a term shorter than twenty-nine (29) consecutive days without a valid STR Permit, which may be issued by the City in the manner provided for by this chapter.
- C. *Validity period.* A STR Permit shall expire on June 30th of each calendar year and may be renewed upon reissuance of a business license and proof of

timely payment of Transient Occupancy Tax (TOT) during the time period of operation of the STR. The issuance of the STR Permit for a one year period does not grant the owner with fundamentally vested rights to continue operation beyond the one year period. The City reserves the right to deny renewal of a STR permit without a hearing.

- D. *Change in Ownership.* The STR Permit shall be invalidated by a change in Owner or Administrator of a STR, except when a spouse or domestic partner is added to the title of the property or the property is converted to a trust, which is principally under the same ownership. If the STR Permit is invalidated by a change in ownership, the Owner or Administrator must complete the reapplication process within forty (40) days or the right to the STR Permit will be lost.
- E. *Noise and disturbances.* Guests are subject to the requirements of this Code.
- F. *Revocation of STR Permit.* A STR Permit may be revoked by the City due to the failure to meet the requirements set forth in this Chapter, subject to the discretion of the City.
- G. *Appeal process.* Revocation of a STR Permit may be appealed pursuant to Municipal Code section 11-25. The appeal shall be accompanied by a filing fee, if any, as established by City Council resolution.
- H. *Transient Occupancy Tax.* Transient Occupancy Tax (TOT) shall be collected on all short-term rentals. STR Owners are solely responsible for the collection of all applicable TOT and remittance of the collected tax to the City on a monthly basis. If a Hosting Platform collects payment for short-term rentals, then it and the STR Owner shall both have legal responsibility for the collection and remittance of TOT.

### **3.9-400 Permit Application Procedures**

An application for a STR Permit shall be filed with the City Manager upon forms, the content of which shall be set by the City Manager and shall, at a minimum, request:

- A. The name, address, and telephone number of the Owner of the STR for which the STR Permit is to be issued.
- B. The name, address, and telephone number of the STR Administrator, if applicable, and a notarized declaration from the STR Owner that the STR Administrator has permission to run a STR on the Owner's property.

- C. A statement of the anticipated daily rental charge for the STR and written acknowledgment of the responsibility to pay TOT associated with the rental of the STR.
- D. A valid business license issued by the City for the STR.
- E. A STR Permit application fee.

### **3.9-500 Hosting Platform Requirements**

- A. Hosting Platforms together with STR Owners shall be responsible for collecting all applicable TOTs and remitting the same to the City. The Hosting Platform shall be considered an agent of the Owner or Operator for purposes of TOT collections and remittance responsibilities as set forth in Chapter 3.4 of this Code.
- B. Subject to applicable laws, Hosting Platforms shall disclose to the City on a regular basis each home-sharing and vacation rental listing located in the City, the names of the persons responsible for each such listing, the address of each such listing, the length of stay for each such listing, and the price paid for each stay.
- C. Hosting platforms shall not complete any booking transaction for any residential property or unit unless it is listed on the City's Registry at the time the Hosting Platform receives a fee for the booking transaction.
- D. A Hosting Platform operating exclusively on the Internet, which operates in compliance with subsections (1), (2), and (3) above, shall be presumed to be in compliance with this Chapter, except that the Hosting Platform remains responsible for compliance with the administrative subpoena provisions of this Chapter.
- E. The provisions of this Section shall be interpreted in accordance with otherwise applicable State and Federal laws and will not apply if determined by the City to be in violation of, or preempted by, any such laws.

**SECTION 2. Severability.** The City Council declares that each section, subsection, paragraph, subparagraph, sentence, clause and phrase of this ordinance is severable and independent of every other section, subsection, paragraph, subparagraph, sentence, clause, and phrase of this ordinance. If any section, subsection, paragraph, subparagraph, sentence, clause or phrase of this ordinance is held invalid, the City Council declares that it would have adopted the

remaining provisions of this ordinance irrespective of the portion held invalid, and further declares its express intent that the remaining portions of this ordinance should remain in effect after the invalid portion has been eliminated.

**SECTION 3. Environmental assessment.** The City Council declares that the approval of this ordinance is not subject to the California Environmental Quality Act ("CEQA") because pursuant to CEQA Guidelines Sections 15060 (c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); and, 15060 (c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Alternatively, the approval of this ordinance is not a "Project" under CEQA Regulation Section 15061(b)(3) because it has no potential for causing a significant effect on the environment.

**SECTION 4. Effective date.** This ordinance shall go into effect thirty days after the date of its adoption.

**THE FOREGOING ORDINANCE** was first read at a regular meeting of the San Juan Bautista City Council on the 15<sup>th</sup> day of October, 2019, and was adopted at a regular meeting of the San Juan Bautista City Council on the 19<sup>th</sup> day of November, 2019, by the following vote:

- AYES:** Flores, Edge, Freeman, DeVries, Jordan
- NOES:** None
- ABSENT:** None
- ABSTAIN:** None

  
César E. Flores, Mayor

**ATTEST:**

  
Laura Cent, City Clerk

**APPROVED AS TO FORM:**  
  
Deborah Mall, City Attorney