

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF ANAHEIM AMENDING CHAPTER 4.05 (SHORT-TERM RENTALS) OF TITLE 4 (BUSINESS REGULATION) OF THE ANAHEIM MUNICIPAL CODE RELATING TO SHORT-TERM RENTALS, AND FINDING AND DETERMINING THAT THIS ORDINANCE IS NOT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO SECTIONS 15060(C)(2) AND 15060(C)(3) OF THE STATE CEQA GUIDELINES, BECAUSE IT WILL NOT RESULT IN A DIRECT OR REASONABLY FORESEEABLE INDIRECT PHYSICAL CHANGE IN THE ENVIRONMENT AND IS NOT A PROJECT, AS DEFINED IN SECTION 15378 OF THE CEQA GUIDELINES.

WHEREAS, by the adoption of Ordinance No. 6299 on May 13, 2014, the City Council of the City of Anaheim (“City Council”) added Chapter 4.05 (Short-Term Rentals) to Title 4 (Business Regulation) of the Anaheim Municipal Code (the “Code”) for the purpose of establishing a permit program for owners of residential dwelling units who rent, offer to rent, or advertise for rent said dwelling units to a person or group of persons for occupancy, dwelling, lodging or sleeping purposes for a period of less than thirty (30) consecutive calendar days, *i.e.*, “Short-Term Rentals”; and

WHEREAS, Chapter 4.05 (Short-Term Rentals) is known and referred to as the “Short-Term Rentals Ordinance”; and

WHEREAS, the Short-Term Rentals Ordinance, as subsequently amended by the adoption of Ordinance No. 6317 on March 3, 2015, permitted the short-term rental of dwelling units within the Single-Family Residential Zone, the Multiple-Family Residential Zone and the Mixed Use (MU) Overlay Zone, and established standards and regulations relating to the issuance of permits for Short-Term Rentals; and

WHEREAS, by the adoption of Ordinance No. 6317 on March 3, 2015, the City Council added “Short-Term Rental Units,” as defined in Chapter 4.05 (Short-Term Rentals) of the Code, as a permitted use within the Mixed Use (MU) Overlay Zone subject to a short-term rental permit as provided in the Short-Term Rentals Ordinance; and

WHEREAS, on September 15, 2015, the City Council adopted Ordinance No. 6343, an urgency ordinance pursuant to California Government Code Section 65858 for the purpose of imposing a temporary 45-day moratorium, expiring on October 30, 2015, on the commencement, establishment and/or operation of new Short-Term Rentals and on any applications for renewal of Short-Term Rental permits existing on the date of adoption of Ordinance No. 6343, pending completion of the City's study of the potential impacts and regulation of Short-Term Rentals, and possible amendments to the City's zoning ordinance and related provisions of the Code to ensure that adequate development standards and implementation regulations, which may include a

repeal of the Short-Term Rentals Ordinance and related provisions of the Code, are in effect to protect the public peace, health, safety and/or welfare prior to any decision on future applications for Short-Term Rentals; and

WHEREAS, on October 20, 2015, the City Council adopted Ordinance No. 6347 for the purpose of extending all of the terms and provisions of Ordinance No. 6343 for a period of one hundred eighty-six (186) days so that the interim measure would expire at 11:59 p.m. on Tuesday, May 3, 2016; and

WHEREAS, on April 12, 2016, the City Council adopted Ordinance No. 6369 for the purpose of extending all of the terms and provisions of Ordinance No. 6343 for an additional one year period so that the interim measure would expire at 11:59 p.m. on Wednesday, May 3, 2017; and

WHEREAS, following completion of the City's study of the potential impacts and regulation of Short-Term Rentals, this City Council finds that the adoption of a comprehensive amendment to the Short-Term Rentals Ordinance regulating the issuance of and operating conditions attached to Short-Term Rental permits is necessary to protect the public peace, health, safety and/or welfare; and

WHEREAS, the use of residential dwelling units within the City of Anaheim as Short-Term Rentals for periods of less than thirty (30) consecutive calendar days can, in certain circumstances, escalate the demand for City services, negatively affect surrounding residential neighborhoods, and place increased demands on public services; and

WHEREAS, subject to the limited exceptions described in the next succeeding paragraph, below, the purpose of this ordinance is to establish that Short-Term Rentals will no longer be allowable uses in certain zoning districts; and

WHEREAS, certain property owners have previously obtained permits to operate a Short-Term Rental. In addition, certain owners of dwellings have filed applications prior to the adoption of the moratorium on September 15, 2015 for a permit to operate a Short-Term Rental (herein referred to as "pending applications"), which pending applications have not been approved or denied by the Planning Director prior to the date of adoption of this ordinance. For (i) those who have been authorized to operate a Short-Term Rental prior to the date of adoption of this ordinance and hold a valid Short-Term Rental permit, (ii) those whose pending applications for a permit to operate a Short-Term Rental are approved following the date of adoption of this ordinance, and (iii) those who have been authorized to operate Short-Term Rentals within the C-G General Commercial Zone pursuant to a conditional use permit approved in accordance with the provisions of this code prior to the adoption of the moratorium on September 15, 2015, the City Council intends by this ordinance to allow them to operate or continue to operate a Short-Term Rental in accordance with the terms, conditions, procedures and requirements of this ordinance; and

WHEREAS, pursuant to the City's police power, as granted broadly under Article XI, Section 7 of the California Constitution, this City Council has the authority to enact and enforce

ordinances and regulations for the public peace, health, safety and/or welfare of the City and its residents; and

WHEREAS, pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*; herein referred to as “CEQA”) and the State of California Guidelines for Implementation of the California Environmental Quality Act (commencing with Section 15000 of Title 14 of the California Code of Regulations; herein referred to as the “State CEQA Guidelines”), the City is the “lead agency” for the preparation and consideration of environmental documents for this ordinance; and

WHEREAS, the City Council finds and determines that this ordinance is not subject to CEQA pursuant to Sections 15060(c)(2) and 15060(c)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change in the environment and is not a “project,” as that term is defined in Section 15378 of the State CEQA Guidelines; and

WHEREAS, the City Council finds and determines that the regulation of Short-Term Rental uses in accordance with this ordinance is a matter of City-wide importance and necessary for the preservation and protection of the public peace, health, safety and/or welfare of the community and is a valid exercise of the local police power and in accord with the public purposes and provisions of applicable State and local laws and requirements;

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

SECTION 1. That Chapter 4.05 (Short-Term Rentals) of Title 4 of the Anaheim Municipal Code be, and the same is, hereby amended to read in full as follows:

CHAPTER 4.05 SHORT-TERM RENTALS

Sections:

- 4.05.010 Title.
- 4.05.020 Purpose and Intent.
- 4.05.030 Definitions.
- 4.05.040 Permit Required; Processing of Pending Applications and Renewals of Permits.
- 4.05.050 Agents.
- 4.05.060 Application Requirements for Processing Pending Applications and for Renewal of a Short-Term Rental Permit.
- 4.05.070 Term of Permit and Renewal.
- 4.05.080 Denial of Permit.
- 4.05.090 Application Fees.
- 4.05.100 Conditions of Permit Issuance and Renewal; Operational Requirements.
- 4.05.110 Audit.

- 4.05.120 Responsibilities of Hosting Platforms.
- 4.05.130 Violations/Penalties.
- 4.05.140 Procedure for Imposition of Modification, Suspension and/or Revocation of Short-Term Rental Permit.
- 4.05.150 Appeals and Administrative Hearing Procedure for Administrative Determinations.
- 4.05.160 Effect of Short-Term Rentals Ordinance on Other Provisions of Code.
- 4.05.170 No Vested Rights

4.05.010 TITLE.

This chapter is known as the “Short-Term Rentals Ordinance,” may be cited as such, and will be referred to herein as “this chapter.” Ordinance No. [6374](#), which provides for a comprehensive amendment of this chapter regulating the issuance of and operating conditions applicable to short-term rental permits and establishing a prohibition on new short-term rentals is known and may be referred to in this chapter as the “STR Regulations and Ban on New STRs Ordinance.”

4.05.020 PURPOSE AND INTENT.

The purposes of this chapter are as follows:

A. With the exceptions noted in paragraph “B” below, it is the purpose of this chapter to establish that short-term rentals will no longer be allowable uses on any property within Single-Family Residential Zones (as defined in Section 18.04.020 of this code), Multiple-Family Residential Zones (as defined in Section 18.06.020 of this code), or any other zoning district in the city, including all underlying or base zones, overlay zones and adopted specific plans, in which residential uses are a permitted or conditionally permitted use.

B. It is the purpose of this chapter to provide a permit system for the renewal of short-term rental permits for (i) those owners who have been authorized to operate a short-term rental prior to [August 11, 2016](#) and (ii) those owners whose pending applications for a permit to operate a short-term rental were filed prior to September 16, 2015 and have not yet been approved but may be approved after [August 11, 2016](#), who desire to continue to operate a short-term rental in accordance with the permit renewal procedures set forth in this chapter, which categories are hereafter collectively referred to in this chapter as “pre-moratorium short-term rentals.” It is the further purpose of this chapter to provide a permit system for those short-term rentals within the C-G General Commercial Zone that have been authorized pursuant to a conditional use permit approved in accordance with the provisions of this code prior to the adoption of the moratorium on September 15, 2015.

C. For those owners who are eligible and apply for renewal of a short-term rental permit, as described in paragraph "B" of this Section 4.05.020, whose applications for renewal are approved by the city, it is the purpose of this chapter to establish and impose operational requirements and regulations for the use of the aforementioned privately-owned residential dwellings as short-term rentals in order to reduce the burden on city services, minimize the negative secondary effects of such use on residential neighborhoods, and ensure the health, safety and welfare of persons residing in residential neighborhoods and patronizing short-term rentals.

4.05.030 DEFINITIONS.

The definitions contained in this section shall govern the construction, meaning and application of words and phrases used in this chapter.

A. "Agent" shall mean a person engaged or appointed by an owner to represent and act on behalf of an owner (as defined in these definitions) and to act as an operator, manager and/or local contact person of a dwelling used or to be used as a short-term rental unit or short-term rental property and designated as such by the owner in accordance with Section 4.05.050.

B. "City Manager" shall have the same meaning as Section 600 (City Manager) of the Charter of the City of Anaheim, and shall include his or her authorized representative.

C. "Dwelling" is defined in Section 18.92.070 ("D" Words, Terms and Phrases) of Chapter 18.92 (Definitions) of this code. "Dwelling" shall also mean a dwelling unit on the same parcel as a legally established single-family dwelling that is allowed in the zone in which located, having its own complete independent living accommodations and facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation, in which case only one of said dwelling units may be used as a short-term rental.

D. "Enforcement officer" shall mean the Planning Director, the Community Preservation Manager, any Community Preservation Officer, the city's Fire Chief, his or her authorized representatives, the city's Building Official, his or her authorized representatives, or any other city department head (to the extent responsible for enforcing provisions of this code), or any other city employee designated by the Planning Director or City Manager to enforce this chapter.

E. "Hosting platform" shall mean a person or entity that facilitates a short-term rental for an owner, and derives revenues therefrom, including without limitation booking fees, subscription charges or advertising revenues, from such facilitation. "Facilitate" shall mean without limitation the act of allowing the owner to offer to list or advertise the short-term rental on the Internet web site provided or maintained by the hosting platform. A hosting platform does not include any person licensed to practice real estate as defined in Section 10130 of the California Business and Professions Code.

F. “License Collector” shall have the same meaning as in Section 1.01.305 (Construction—“License Collector”) of the code, and shall include his or her authorized representative.

G. “Local contact person” shall mean a person designated by an owner or the owner's agent, who, if designated to act as such, shall be available twenty-four (24) hours per day, seven (7) days per week for the purpose of: (i) being able to physically respond within forty-five (45) minutes of notification of a complaint regarding the condition, operation or conduct of occupants of the dwelling, and (ii) taking remedial action necessary to resolve any such complaints. A local contact person may be the owner or the owner's agent.

H. “Occupant” shall mean any person who is on or in a short-term rental property other than service providers or the owner, whether or not the person stays overnight.

I. “Operator” shall mean the owner or the designated agent of the owner who is responsible for compliance with this chapter.

J. “Owner” shall mean the person(s) or entity(ies) that holds legal or equitable title to a dwelling. “Owner” includes a lessee.

K. “Pending application” shall mean an application for a short-term rental permit filed with the Planning Director prior to September 16, 2015 that has not been approved or denied by the Planning Director prior to **August 11, 2016**.

L. “Person” means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

M. “Planning Director” shall mean the Director of the Planning and Building Department of the City of Anaheim or his or her authorized representative, including the License Collector, the Community Preservation Manager and any Community Preservation Officer or staff so designated by either the Director of the Planning and Building Department or the Community Preservation Manager to carry out responsibilities under this chapter.

N. “Rent” shall have the meaning provided in Section 2.12.005.080 of Chapter 2.12 (Transient Occupancy Tax) of this code and, for the purpose of this definition, the term “operator” shall mean an “owner,” as defined in this chapter, who undertakes, maintains, authorizes, aids, facilitates, advertises, lists or rents a dwelling unit as a short-term rental within the City of Anaheim.

O. “Responsible person” means the signatory of an agreement for the rental, use and occupancy of a short-term rental unit, who: (i) shall be at least twenty-one (21) years of age, (ii) shall be an occupant of the subject short-term rental unit during the term of said

agreement, (iii) shall be legally responsible for ensuring that all occupants of the short-term rental unit comply with all applicable laws, rules and regulations pertaining to the use and occupancy of the subject short-term rental unit, and (iv) may be held liable for any violation of all applicable laws, rules and regulations set forth in this chapter.

P. “Short-term rental” shall mean the rental of a dwelling or a portion thereof, by the owner to another person or group of persons for occupancy, dwelling, lodging or sleeping purposes for a period of less than thirty (30) consecutive calendar days. The rental of units within city-approved hotels, motels, bed and breakfasts, and time-share projects shall not be considered to be a short-term rental.

Q. “Short-term rental permit” shall mean a permit issued pursuant to the provisions of this chapter that allows the use of a dwelling as a short-term rental.

R. “Short-term rental property” means a parcel of real property, as shown on the latest equalized tax assessment roll as maintained by the assessor of the County of Orange, upon which a short-term rental unit (or units) is (are) maintained. “Short-term rental property” includes the premises upon which a short-term rental unit is located, including parking areas, driveways, landscaping, accessory structures, fences, walls, swimming pools, hot tubs, spas, tennis and paddleboard courts, and other similar and related improvements.

S. “Short-term rental unit” shall mean a dwelling, or any portion thereof, that is being rented, or is intended to be rented, as a short-term rental to a person or group of persons.

4.05.040 PERMIT REQUIRED; PROCESSING OF PENDING APPLICATIONS AND RENEWALS OF PERMITS.

.010 The requirements of this chapter shall be met before a short-term rental permit is issued in response to a pending application that is approved by the Planning Director and before a short-term rental permit is renewed. No person shall undertake, maintain, facilitate, advertise for rent, list or rent a dwelling unit as a short-term rental within the city that does not comply with the requirements of this chapter.

.020 The Planning Director is authorized to issue short-term rental permits pursuant to this chapter.

.030 Except for “pre-moratorium short-term rentals, short-term rentals shall not be allowed as an allowable use on any property within Single-Family Residential Zones (as defined in Section 18.04.020 of this code), Multiple-Family Residential Zones (as defined in Section 18.06.020 of this code), or any other zoning district in the city, including all underlying or base zones, overlay zones and adopted specific plans, in which residential uses are a permitted or conditionally permitted use. Further excepted are those short-term rentals within the C-G General Commercial Zone that have been authorized pursuant to a conditional use permit approved in accordance with the provisions of this code prior to

the adoption of the moratorium on September 15, 2015, which short-term rentals may obtain new permits, for which the application and processing shall be in accordance with such information as the Planning Director deems reasonably necessary for the purposes of this chapter, and such permits shall be subject to the operational requirements, provisions for enforcement, violations and penalties, and other requirements of this chapter. It is unlawful for any person or entity to rent, offer to rent, or advertise for rent a dwelling or dwellings to a person or group of persons as a short-term rental without a short-term rental permit approved in accordance with the provisions of this chapter.

.040 The short-term rental of a dwelling is subject to the city's business license requirements (Chapter 3.04 of this code) and the transient occupancy tax requirements (Chapter 2.12 of this code).

.050 It is a violation of the chapter for an owner of a dwelling to establish or operate a short-term rental without first obtaining and maintaining both a valid business license for each property to be used as a short-term rental pursuant to Chapter 3.04 of this code and a short-term rental permit for each property to be used as a short-term rental.

.060 It is a violation of this chapter for any person to establish or operate a short-term rental in any zoning district in the city unless: (1) an owner has been issued a short-term rental permit and, after the term of the permit expires, the owner timely applies for and obtains a renewal thereof and thereafter continues to hold a current short-term rental permit pursuant to this chapter; or (2) an applicant of a pending application is issued a short-term rental permit and, after the term of the permit expires, said applicant timely applies for and obtains a renewal thereof, and thereafter continues to hold a current short-term rental permit pursuant to this chapter; or (3) the short-term rental is within the C-G General Commercial Zone and has been authorized pursuant to a conditional use permit approved in accordance with the provisions of this code prior to the adoption of the moratorium on September 15, 2015.

.070 Following **August 11, 2016**, a pending application will continue to be processed by the Planning Director subject to the procedures, terms, conditions and requirements of this chapter in effect as of **August 11, 2016** and subject, further, to the following additional terms and conditions:

.0701 The Planning Director shall notify in writing each applicant of a pending application whether and what supplemental information or documentation will be needed in order to enable the Planning Director to determine that such application is complete and complies with the application requirements of this chapter in effect as of **August 11, 2016**. The Planning Director may request an additional fee, as set by resolution of the City Council, to defray the costs of continuing to process a pending application with the supplemental information and documentation required by the Planning Director. The applicant shall have thirty (30) calendar days in which to submit needed supplemental information or documentation and such additional fee as required by the Planning Director.

.0702 Upon receipt of the supplemental information and documentation requested by the Planning Director pursuant to the immediately preceding paragraph and a determination by the Planning Director that a pending application remains incomplete or fails to provide the information and documentation required by this chapter, the Planning Director shall notify the applicant in writing, and the applicant shall have ten (10) calendar days (or longer as authorized by the Planning Director) in which to submit needed supplemental information or documentation as specified by the Planning Director.

.0703 The failure of the applicant of a pending application to timely submit needed supplemental information or documentation may be cause for denial of the pending application.

.0704 If a pending application is approved by the Planning Director, the Planning Director will issue a short-term rental permit, which will be valid from the date of its issuance up to and including July 31, 2017, at which time said short-term rental permit shall be of no further force, validity or effect, and use of the dwelling for a short-term rental that is the subject of said permit shall cease, unless an application for renewal has been timely filed and thereafter approved by the Planning Director in accordance with subsection .080 of this section. This paragraph recognizes that a final determination by the Planning Director on a pending application may not occur before **August 11, 2016**, but that the Planning Director will continue, nevertheless, to process a pending application in accordance with this subsection .070.

.080 Any owner operating a short-term rental under the permission of a short-term rental permit duly issued prior to **August 11, 2016** who desires to continue operation under the requirements of this chapter shall submit an application for renewal of a short-term rental permit to the Planning Director no later than sixty (60) days following **August 11, 2016**. If such a timely and complete application for renewal is submitted, the short-term rental permit duly issued, valid and in effect prior to its expiration date shall be extended until the date a determination is made by the Planning Director to approve or deny such application for renewal.

.090 Any owner operating a short-term rental under the permission of a short-term rental permit duly issued under paragraph .0704 or renewed under subsection .080 of this section, who desires to continue operation under the requirements of this chapter after July 31, 2017, shall submit an application for renewal of a short-term rental permit to the Planning Director no later than July 31, 2017 and annually thereafter not later than the last business day in the month of July of each succeeding year, accompanied by the fee or fees established by resolution of the City Council. If such a timely and complete application for renewal is submitted, along with the applicable fee or fees, the short-term rental permit duly issued, valid and in effect prior to its expiration date shall be extended until the date a determination is made by the Planning Director to approve or deny such application for renewal.

.100 All applications for the renewal of a short-term rental permit filed on or after **August 11, 2016** will be processed by the Planning Director subject to the procedures,

terms, conditions and requirements of this chapter in effect as of **August 11, 2016**, as the same may be amended from time to time.

.110 Except as otherwise provided for pending applications in subsection .070 of this section, in the event that the Planning Director determines that an application for renewal of a short-term rental permit is incomplete or fails to provide the information and documentation required by this chapter, the Planning Director shall notify the applicant in writing, and the applicant shall have thirty (30) calendar days (or longer as authorized by the Planning Director) in which to submit needed supplemental information or documentation as specified by the Planning Director. The city reserves the right to request additional information and documentation from an applicant regarding an application for renewal of a short-term rental permit and to accept responses to requests for supplemental information or documentation. If such a timely and complete application for renewal of a short-term rental permit is submitted, the short-term rental permit previously and duly issued, valid and in effect prior to its expiration date shall be automatically extended until the date a determination is made by the Planning Director to approve or deny such application for renewal.

.120 No additions to or alterations of structures on a short-term rental property will be considered for the purpose of increasing the number of bedrooms or the square footage of a dwelling in connection with an application for renewal of a short-term rental permit in excess of the number of bedrooms and the square footage of the dwelling depicted in the floor plans that were approved for permits issued prior to the adoption of the moratorium on September 15, 2015, or that were approved for permits during the period of the moratorium, or that were set forth in pending applications, unless otherwise permitted pursuant to the short-term-rental process that was utilized by the city prior to the adoption of the moratorium on September 15, 2015. Remodels that do not add square footage or bedrooms are not barred by this subsection.

4.05.050 AGENTS.

.010 An owner may retain an agent to comply with the requirements of this chapter, including, without limitation, (a) filing of supplemental information or documentation for a pending application on behalf of an owner in accordance with subsection .070 of section, (b) the filing of a complete application for renewal of a short-term rental permit that has been signed and notarized by the owner, (c) the management of a short-term rental property or short-term rental unit, (d) the filing of all reports and remittance of transient occupancy taxes, and (e) the compliance with the conditions of the short-term rental permit and the requirements of this chapter. The short-term rental permit shall be issued only to and in the name of the owner of a short-term rental unit, who shall be responsible for all requirements of this chapter.

.020 Notwithstanding subsection .010, the owner of a short-term rental unit shall not be relieved of any personal responsibility or personal liability for non-compliance with any applicable law, rule or regulation pertaining to the use and occupancy of the subject short-term rental unit, regardless of whether such non-compliance was committed by the

owner's agent, a local contact person or the occupants of the owner's short-term rental unit.

4.05.060 APPLICATION REQUIREMENTS FOR PROCESSING PENDING APPLICATIONS AND FOR RENEWAL OF A SHORT-TERM RENTAL PERMIT.

.010 A permit shall be required for the use of a dwelling in the city as a short-term rental before undertaking, maintaining, facilitating, advertising for rent, listing or renting any dwelling to any person as a short-term rental.

.020 Any application required under this chapter shall be submitted to the Planning Director upon forms provided by the city and signed by the owner under penalty of perjury. Each application shall contain all of the following information at the time of filing an application. The owner or the owner's agent, as the case may be, shall promptly, upon a change of any of the information contained in or accompanying such application, update such information to maintain accuracy.

A. The full legal name, street and mailing addresses, the email address, and the telephone number of the owner of the dwelling and in all cases where a business entity or trust is the owner of the dwelling, the individual who has responsibility to oversee the ownership of the dwelling on behalf of the business entity or trust, including the street and mailing address, the email address and the telephone number of the individual having such responsibility.

B. If the owner of a dwelling is a business entity, information and documentation pertaining to the owner's status with the California Secretary of State.

C. If the "owner" is a lessee where a lessee is offering a dwelling, or any portion thereof, as a short-term rental, the lessee shall provide (i) the full legal name of the person(s) or entity(ies) that hold(s) legal title to the dwelling, (ii) the street and mailing addresses, email address, and telephone number(s) of said person(s) or entity(ies), and (iii) said written acknowledgement by said person(s) or entity(ies) of his/her/its/their understanding of all City of Anaheim short-term rental rules and his/her/its/their agreement that he/she/it/they is/are legally responsible for compliance by all occupants of the short-term rental unit with all provisions of this chapter and this code and his/her/its/their liability for any fines incurred by occupants or a responsible person.

D. If the "owner" is a lessee where a lessee is offering a dwelling, or any portion thereof, as a short-term rental, the person(s) or entity(ies) that hold(s) legal title to a dwelling that is the subject of a short-term rental permit shall by written agreement with the city provide that such person(s) or entity(ies) and the subject property shall be subject to the provisions of Section 2.12.090 (Transient Occupancy Tax a Debt – Civil Action) of

this code for the failure of the owner's lessee to pay transient occupancy tax to the city.

E. The full legal name or business name, the street and mailing address(es), the email address(es), and the telephone number(s) of the agent, if any, of the owner, including the owner's written authorization of engagement or appointment of the agent to act on behalf of the owner.

F. The full name, the email address, and telephone number of the local contact person, if any, if the local contact person is not also either the owner or the owner's agent.

G. The street address of the dwelling proposed to be used as a short-term rental unit.

H. A site plan and floor plan accurately and clearly depicting the size and location of the existing dwelling and the approximate square footage in the dwelling, the number and location of designated off-street parking spaces and the maximum number of vehicles allowed for overnight occupants. The floor plan shall describe the use of each room in the dwelling, the number, location and approximate square footage of all bedrooms, and any accessory buildings, including but not limited to garages and accessory living quarters, and the maximum number of overnight occupants under the limitations imposed under paragraph .0111 of subsection .010 of Section 4.05.100 of this chapter.

I. The permit renewal fee, as set by resolution of the City Council.

J. Written acknowledgement and agreement by the owner that, in the event a permit is approved and issued, the owner agrees to assume all risk and indemnify, defend and hold the city harmless concerning the city's approval of the permit, the operation and maintenance of the short-term rental unit and short-term rental property, and any other matter relating to the short-term rental unit and short-term rental property, including without limitation any claim or demand made by the governing body of a homeowners' or maintenance association having jurisdiction over the subject dwelling in any action or proceeding in which the city is named or made a party arising out of or connected with the subject matter of any applicable covenants, conditions and restrictions and/or rules and regulations. It is the responsibility of the owner and not the city to investigate, verify with the relevant homeowners' association or maintenance organization, and determine that the use of a dwelling as a short-term rental does not violate any applicable covenants, conditions and restrictions or any of the regulations or rules of the homeowners' association or maintenance organization having jurisdiction in connection with the short-term rental property. Notwithstanding the city's issuance of a short-term rental permit, the city shall not have any obligation or be responsible for making a determination regarding whether or not the issuance of a short-term rental permit or the use of a dwelling as a short-term rental is permitted under any covenants, conditions and restrictions or any of the regulations or rules of the homeowners' association or maintenance organization having jurisdiction in connection with the short-term rental property, and the city shall have no enforcement obligations in connection with such covenants, conditions and restrictions or such regulations or rules. If the "owner" is a lessee where a lessee is offering a dwelling, or any portion thereof, as a short-term rental,

the person(s) or entity(ies) that hold(s) legal title to a dwelling that is the subject of a short-term rental permit shall provide the same written acknowledgement and agreement as a lessee.

K. Written acknowledgement by the owner and the owner's agent (if any) that he/she/they have read all regulations pertaining to the operation of a short-term rental, including this chapter, the city's business license requirements, the city's transient occupancy requirements, any additional administrative regulations promulgated or imposed by the Planning Director to implement this chapter, and acknowledging responsibility for compliance with the provisions of this chapter.

L. Such other information as the Planning Director deems reasonably necessary to administer this chapter.

.030 The Planning Director shall review each pending application and application for renewal of a duly issued permit for completeness and accuracy before it is accepted as being complete and officially filed. The Planning Director's determination of completeness shall be based on the aforementioned list of required application contents and any additional information determined by the Planning Director to be necessary to determine conformance with this chapter.

.040 An application may be denied if a short-term rental permit for the same dwelling and issued to the same owner has expired or previously has been revoked.

.050 Except for a pending application, which shall be governed by the provisions of subsection .070 of Section 4.05.040, the applicant for the renewal of a duly issued short-term rental permit shall be notified in writing of any revisions or additional information required and shall submit the requested information to the Planning Director within thirty (30) calendar days after the date of notice. Failure to submit the required information within the thirty (30) day period may be cause for denial of the renewal application.

.060 The Planning Director may require an on-site inspection of the property to be performed by an enforcement officer before confirming that the application complies with all of the applicable criteria and provisions of this chapter.

.070 A pending application or an application for renewal of a duly issued permit ~~may shall~~ be denied if the dwelling and/or the real property proposed for use as a short-term rental is subject to any outstanding building, electrical, plumbing, mechanical, fire, health, police or code enforcement matters, including any notices of violation, notices to cure, orders of abatement, cease and desist orders, or correction notices; provided, however, that the Planning Director may approve a pending application or the renewal of a duly issued permit in his or her sole and absolute discretion conditioned upon timely compliance with conditions identified by the Planning Director and attached to the permit.

.080 If the Planning Director determines that an applicant for a pending application

or an applicant for renewal of a short-term rental permit has satisfied the application requirements. including payment of fees established by the City Council by resolution, the Planning Director shall issue a permit (for pending applications) and, for properties that had legal permits, a renewal permit, the issuance of which shall be conditioned upon compliance with the conditions identified by the Planning Director in the permit and subject to compliance with the operational requirements of Section 4.05.100 and with all other terms, conditions and requirements of this chapter and the code. If a permit in response to a pending application or an application for renewal of a duly issued short-term rental permit is not issued, the Planning Director will notify the applicant in writing. The notice will set forth the Planning Director's reasons for denial and the procedures for an appeal of the Planning Director's determination.

.090 As a part of the approval of a pending application or the renewal of a short-term rental permit, the Planning Director may impose such conditions in connection with the permit as he or she deems necessary in order to fulfill the purposes of this chapter and may require reasonable guarantees and evidence that such conditions will be complied with.

.100 Upon issuance of a short-term rental permit in response to a pending application or an application for renewal of a duly issued short-term rental permit, the owner shall comply with all requirements of the business license provisions and transient occupancy tax provisions of this code for the short-term rental unit.

.110 Within fourteen (14) calendar days of a change of ownership of a short-term rental property, the new owner or the new owner's agent shall submit to the Planning Director an application for a transfer of a short-term rental permit, accompanied by the payment of such fee or fees as may be established by resolution of the City Council. Such application shall contain all of the information set forth in subsection .020 of this section and shall be accompanied by payment of the requisite fee for the processing of the transfer application, as set by resolution of the City Council. If such a timely and complete transfer application is submitted, the short-term rental permit duly issued, valid and in effect prior to its expiration date, shall be extended until the date a determination is made by the Planning Director to approve or deny such application. No purchaser of the real property upon which the permitted short-term rental is located shall operate a short-term rental under the permitted owner's short-term rental permit if a completed transfer application is not submitted within the fourteen (14) day period. Failure to timely submit the required complete application within the fourteen (14) day period may be cause for denial. Likewise, any outstanding building, electrical, plumbing, mechanical, fire, health, police or code enforcement matters, including any notices of violation, notices to cure, orders of abatement, cease and desist orders, or correction notices, may be cause for denial of an application for a transfer of a short-term rental permit.

.120 At any time during the pendency of a short-term rental permit, the owner shall promptly, upon a change in any material facts set forth in the application for a short-term rental permit or a renewal thereof, including, but not limited to, a change of the owner's agent or local contact person, update such information to maintain accuracy.

4.05.070 TERM OF PERMIT AND RENEWAL.

.010 A short-term rental permit or renewal thereof issued under the authority of this chapter shall be valid from the date of its issuance until the first to occur of July 31 in the year issued (i.e., the “expiration date”) set forth on the permit or the revocation date. A short-term rental permit shall be of no further force, validity or effect, and use of a dwelling for short-term rental purposes shall cease, upon the first to occur of the expiration date or revocation date of the short-term rental permit, unless renewed pursuant to Section 4.05.040 of this chapter. Upon the lapse of a short-term rental permit because of expiration, a failure to renew, or because revocation has occurred, the owner of the property which was the subject of the permit or his/her heirs, successors or assigns shall have no further right to apply for or obtain a short-term rental permit or to undertake, maintain, facilitate, advertise for rent, list, rent or use said dwelling and/or the property as a short-term rental.

.020 A short-term rental permit shall not run with the land. The permission to operate a short-term rental under this chapter shall be personal and limited to the owner to whom the city issued the permit, including a person who acquires a short-term rental permit by application for a change of ownership in accordance with subsection .110 of Section 4.05.060 of this chapter.

.030 No person shall convey or attempt to convey a short-term rental permit from one property to another property. Any attempt to convey a short-term rental permit from one property to another property shall be void and shall constitute a violation of this chapter.

.040 No person shall transfer or attempt to transfer a short-term rental permit to any other person. A person may acquire a short-term rental permit from an owner if that person acquires the property, which, in the case where an "owner" is a lessee, would include a leasehold interest, that is subject to a short-term rental permit and the owner or the owner's agent submits a transfer application and requisite application fee in accordance with subsection .110 of Section 4.05.060 of this chapter. Any attempt to transfer a short-term rental permit in violation of this subsection shall be void and shall constitute a violation of this chapter. Likewise, any attempt to operate a short-term rental use under a transferred short-term rental permit shall constitute a violation of this chapter.

.050 If an owner desires to renew a short-term rental permit, an owner must apply for and renew a short-term rental permit annually, indicating at renewal any changes to the information or requirements set forth in Section 4.05.060, above. The application for renewal must be filed not later than the expiration date set forth on the permit. The application for renewal shall be upon a form provided by the Planning Director and accompanied by payment of a permit renewal fee set by resolution of the City Council.

.060 The application for renewal shall be processed and acted upon in the same manner and be subject to the requirements of this chapter.

.070 Prior to expiration of a short-term rental permit, the owner may voluntarily cancel the permit by notifying the Planning Director in writing of the intent to cancel the permit. The permit shall become void upon the earlier to occur of the date specified by the owner or the expiration of the permit. Thereafter, the subject property shall no longer be used or capable of being used as a short-term rental.

.080 The Planning Director shall approve the renewal of a short-term rental permit if the Planning Director finds that no circumstances existed during the term of the permit which would cause a violation to exist, and that at the time of submission of the application for renewal, or at any time during the processing of the application for renewal, the application meets the conditions of permit issuance pursuant to Sections 4.05.040 and 4.05.060 and the operational requirements of Section 4.05.100. Such approval shall be conditioned upon and subject to compliance with the conditions identified by the Planning Director in the renewal, the operational requirements of Section 4.05.100, and with all other terms, conditions, and requirements of this chapter and the code.

4.05.080 DENIAL OF PERMIT.

No pending application or application for renewal of a duly issued short-term rental permit shall be denied if the application meets the conditions of permit issuance pursuant to Sections 4.05.040 and 4.05.060 and the operational requirements of Section 4.05.100, unless a short-term rental permit issued to the same owner for the short-term rental unit has been revoked or is in the process of being revoked pursuant to Section 4.05.130, or unless the terms, conditions, rules, or regulations relating to short-term-rental use are modified by other ordinances, resolutions, or measures that provide for denial on other grounds or that provide for termination of some or all short-term-rental uses. The Planning Director's determination on the issuance or denial of a short-term rental permit in response to a pending application or a renewal of a duly issued short-term rental permit may be appealed in accordance with the appeal and hearing provisions of Section 4.05.150 of this chapter.

4.05.090 APPLICATION FEES.

Applications required under this chapter shall be accompanied by the fee or fees established by resolution of the City Council.

4.05.100 CONDITIONS OF PERMIT ISSUANCE AND RENEWAL; OPERATIONAL REQUIREMENTS.

.010 All permits and renewals issued pursuant to this chapter are subject to the following requirements:

.0101 The owner shall ensure that the short-term rental property and short-term rental unit(s) comply with all applicable codes regarding fire, building and safety, health

and safety, and all other relevant laws, regulations and ordinances and obtain all permits required and pay all applicable fees.

.0102 The short-term rental property and short-term rental unit(s) must be in compliance with all applicable codes regarding fire, building and safety, health and safety, and all other relevant laws, regulations and ordinances prior to permit issuance or renewal and at all times during the pendency of a short-term rental permit.

.0103 The owner shall permit an enforcement officer to conduct an inspection of the premises of a short-term rental unit and short-term rental property to confirm compliance with this chapter, including the requirements of this paragraph. Each dwelling must satisfy the following requirements to the satisfaction of the city:

(a) The property address shall be visible from the street and in contrasting colors for quick identification by emergency responders, day or night.

(b) Smoke alarms shall be installed in all habitable areas except the kitchen in accordance with the Anaheim Building Code. The owner shall be responsible for testing and maintaining the smoke alarms.

(c) At least one 2A: 10BC-rated portable fire extinguisher (State Fire Marshal approved design) shall be installed in plain sight and within easy reach on each floor of a dwelling. The owner shall be responsible for replacement or recharge after each use. The fire extinguisher shall be fully charged at all times.

(d) One or more carbon monoxide devices meeting the standards of Section 13262 of the California Health and Safety Code shall be installed in common stairways and hallways. The owner shall be responsible for testing and maintaining the carbon monoxide devices.

(e) An automatic fire sprinkler system approved by the State Fire Marshal shall be installed in a dwelling having an occupancy permitted under this chapter of more than ten (10) persons. Installation shall occur not later than that date which is eighteen (18) months following **August 11, 2016**. The owner shall apply for and obtain all permits required for the installation and pay all required fees. The owner shall be responsible for testing and maintaining the fire sprinkler system. If an owner agrees to a restriction in the short-term rental permit limiting the occupancy to ten or fewer occupants, even though the bedroom count would allow more occupants, the automatic sprinkler system requirement shall not apply.

(f) An exit/egress and an emergency evacuation map printed in type and size approved by the city's Fire Chief or his or her authorized representative shall be displayed in a prominent location on each floor used for sleeping purposes and on the interior or back side of each bedroom door.

(g) An informational packet of emergency numbers shall be prepared for and provided to occupants to direct them in the event of an emergency.

(h) Exterior gates leading to and from the front, side and/or back yards shall not be padlocked.

(i) Hallway doors and exit doors shall not be obstructed or otherwise prohibited from fully opening.

(j) If a short-term rental unit may be rented to any person whose overnight occupants include a person who is "non-ambulatory" (as defined in Chapter 2 of the California Fire Code), there will be at least one bedroom that meets the following requirements: Exiting~~exiting~~ from a short-term rental unit shall be provided by way of ~~an~~ exterior exit ~~doors~~ door from ~~each~~ ~~that~~ bedroom unless (1) occupants are able to exit from ~~that~~~~er~~ bedrooms without entering a hallway through a door into an adjoining bedroom or other room that has an exit to the exterior of the dwelling, or (2) occupants are able to exit from ~~that~~ ~~er~~ bedrooms through a hallway ~~or~~ to an adjoining room adjoining the hallway that has an exit to the exterior of the dwelling; however, a door is required in the hallway, which hallway door shall open in the direction of travel and have a self-closure and be a 1-3/8 inch solid core. The owner shall apply for and obtain all permits required for the installation and pay all required fees. The requirements of this paragraph (j) must be met by not later than that date which is eighteen (18) months following **August 11, 2016**.

(k) No double-keyed dead bolt locks may be installed on exit doors.

(l) Dwellings with swimming pools, as defined in Chapter 2 of the California Building Code, shall have gates that conform to the specifications and requirements of Section 3109.4.1.7 (entitled "GATES") of the California Building Code.

The time limits within which to satisfy one or more of the requirements provided in this paragraph .0103 may be extended by the enforcement officer responsible for enforcing the requirements of this paragraph .0103 upon written application made by an owner to the Fire Chief and upon the showing of good cause therefor to the satisfaction of the Fire Chief. In addition, upon written application of an owner made to the Fire Chief and showing good cause demonstrating that strict application of a specific requirement in this paragraph .0103 will deprive the owner of benefits that owners of most other short-term rentals in the city are able to enjoy, the Fire Chief may, in the Fire Chief's sole and absolute discretion, modify, waive, adjust or grant an exception to said requirements.

.0104 The city shall have the authority to conduct random inspections of a short-term rental property and short-term rental unit(s) as the Planning Director deems necessary or prudent to ensure compliance with the provisions of this chapter, including without limitation, based upon any complaints or violations that occur or prior to a renewal of a permit.

.0105 (a) While a short-term rental unit is rented, the owner, the owner's agent and/or a local contact person shall be available by telephone twenty-four (24) hours per day, seven (7) days per week to respond to complaints regarding the use, condition, operation or conduct of occupants of a short-term rental unit. The owner, the owner's agent, and/or a local contact person must be on the premises of the short-term rental at the request of an enforcement officer or the city's Police Department within forty-five (45) minutes of contact to satisfactorily correct or take remedial action necessary to resolve any complaint, alleged nuisance or violation of this chapter by occupants occurring at the short-term rental property. Failure of the owner, the owner's agent, and/or a local contact person to respond to calls or complaints in a timely and appropriate manner shall be grounds for imposition of penalties as set forth in this chapter.

(b) Within ten (10) calendar days following (i) the issuance of a short-term rental permit in response to a pending application under paragraph .0704 of Section 4.05.040, (ii) the issuance of a renewal permit, and/or (iii) the approval of a transfer application under subsection .110 of Section 4.05.060, the owner shall mail or personally deliver in writing the following information to the owners and occupants of properties contiguous to and directly across the street (or alley or other right-of-way) from the short-term rental property: the name and telephone number of the person, whether the owner, the owner's agent or the local contact person, who shall be available twenty-four (24) hours per day, seven (7) days per week to respond to complaints regarding the use, condition, operation or conduct of occupants of a short-term rental unit. Thereafter, within thirty (30) days of the occurrence of the events described in subparagraphs (i), (ii) or (iii), the owner shall sign under penalty of perjury, and submit to the Planning Director, a dated written certification that the required mailing or delivery was completed. At any time during the pendency of a short-term rental permit such information changes, the owner shall promptly mail or personally deliver in writing the updated information to maintain accuracy and shall also promptly submit to the Planning Director a signed (under penalty of perjury) and dated written certification that the required mailing or delivery of the updated information was completed.

.0106 All off-street parking required by this chapter shall conform to the provisions of Section 18.42.030 (Residential Parking Requirements) of Chapter 18.42 (Parking and Loading) of this code; provided, however, that required off-street parking spaces may be in tandem to other off-street parking spaces, or in some other location and/or configuration, if approved by the Planning Director in his or her sole and absolute discretion in accordance with subsection .030 of Section 4.05.100 of this chapter.

.0107 During periods that the short-term rental property is being used as a short-term rental by occupants, no recreational vehicle or other vehicle used or designed for use as lodging or sleeping accommodations, bus, boat, trailer, camper, cargo container, or personal water craft may be parked at or on the short-term rental property or on the street, unless it belongs to the owner, the owner is also physically occupying the short-term rental property during that period, and is not being used by short-term rental occupants.

.0108 Short-term rental property(ies) and short-term rental unit(s) shall be used

only for overnight lodging accommodations. At no time shall a short-term rental unit or short-term rental property be used for activities in excess of the occupancy limits established in paragraph .0111 or for weddings, receptions, parties, commercial functions, advertised conferences, or other similar assemblies that are separate from the purpose of lodging.

.0109 All advertising appearing in any written publication or on any website that promotes the availability or existence of a short-term rental shall include the city-issued permit number (REG ID#) as part of the rental offering. No person shall advertise the use of a dwelling as a short-term rental unless the city has approved a short-term rental permit pursuant to this chapter.

.0110 The duration of any rental of a dwelling as a short-term rental shall be for a minimum of three (3) consecutive nights. In any advertising concerning the availability of a dwelling as a short-term rental, the owner or owner's agent shall advertise the minimum number of rental nights set forth in this paragraph and the maximum number of occupants allowed to occupy the short-term rental.

.0111 Until January 1, 2017, the occupancy limits for a short-term rental shall be as set forth in paragraph .0112 of subsection .010 of Section 4.05.100 of this chapter in effect prior to August 11, 2016. Thereafter, commencing January 1, 2017, the owner shall limit occupancy of a short-term rental property to a specific number of occupants. The following table sets forth the maximum number of occupants:

<u>Number of Bedrooms</u>	<u>Total Occupants</u>
0-Studio	2
1	4
2	7
3	9
4	11
5	13
6	15
7	17
8	19

For any dwelling having more than eight (8) bedrooms, the maximum number of occupants shall not exceed nineteen (19) persons. If the short-term rental permit limits occupancy to a number less than that shown on the table, the limit in the permit shall govern.

.0112 All vehicles of occupants of a short-term rental unit shall be parked only in an approved driveway or garage on the short-term rental property. The maximum number of vehicles allowed on a short-term rental property shall be limited to the number of available off-street parking spaces; however, such property must have a minimum of two (2) off-street parking spaces. The owner shall provide access to the garage of the dwelling if that area has been included in the determination of the number of available

off-street parking spaces pursuant to this chapter. In no event shall off-street parking include the use of landscaped areas, any private or public sidewalk, parkway, walkway or alley (or any portion thereof) located on, at or adjacent to the short-term rental property or the blocking of the driveway or street in front of said property. The term “sidewalk” shall include that portion of a driveway that is delineated for pedestrian travel or is in the public right-of-way.

.0113 No on-site exterior signs shall be posted advertising the availability of a short-term rental at the short-term rental property.

.0114 The business license or copy thereof shall be prominently displayed in a visible interior location at the short-term rental property during any periods of occupancy thereof by any person other than the owner(s) of the dwelling.

.0115 If an enforcement officer has received a complaint concerning a suspected violation of this chapter or of the code or any applicable law, rule, or regulation pertaining to the use or occupancy of a short-term rental unit, or if the enforcement officer has reason to believe that such a violation has occurred, any adult occupant of the short-term rental, must, upon presentation of reasonable identification by the enforcement officer, grant the officer immediate access to the short-term rental to investigate the complaint or suspected violation. Failure to provide such access shall be deemed to be a major violation of this chapter. If neither the responsible person nor any adult occupant is present at the short-term rental when the enforcement officer is investigating such a complaint or has reason to believe a violation has occurred, the enforcement officer may notify the owner, the owner’s agent and/or the local contact person of the complaint or suspected violation and the notified person must arrange for access to be provided to the officer to the short-term rental within forty-five (45) minutes of notification. Failure of the owner, the owner’s agent and/or the local contact person to timely arrange for such access or to affirmatively respond to the officer’s request to resolve the complaint or terminate the violation shall be deemed to be a major violation of this chapter. Notwithstanding the foregoing, it is not intended that an owner, the owner's agent or the local contact person act as a peace officer or place himself or herself in an at-risk situation.

.0116 The owner, the owner’s agent and the local contact person shall use reasonably prudent business practices to ensure that the occupants of a short-term rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate any applicable law, rule or regulation pertaining to the use and occupancy of the subject short-term rental unit.

.0117 No musical instrument, phonograph, loudspeaker, amplified or reproduced sound, or any machine or device for the production or reproduction of any sound shall be used outside or be audible from the outside of a short-term rental unit between the hours of 10 p.m. and 9 a.m.

.0118 Occupants shall not engage in outdoor activities on a short-term rental property between the hours of 10:00 p.m. and 9:00 a.m. that involve the use of swimming

pools, hot tubs, spas, tennis and paddleboard courts, play equipment and other similar and related improvements. The hours between 10:00 p.m. and 9:00 a.m. are considered to be “quiet time,” where all activities at a short-term rental property shall be conducted inside of a short-term rental unit so that no outdoor activity will disturb the peace and quiet of the neighborhood adjacent to a short-term rental property or cause discomfort or annoyance to any reasonable person of normal sensitivity residing in the area. The owner shall post signs of a size, type and at a location (or locations) acceptable to the Planning Director near all doors leading to the exterior of a short-term rental unit, advising occupants of “quiet time.”

.0119 Trash and refuse shall not be left stored within public view, except in proper containers for the purpose of collection by the responsible trash hauler and between the hours of 5:00 p.m. the day before and 8:00 p.m. the day of the scheduled trash collection. The owner of a short-term rental property shall provide sufficient trash collection containers and service to meet the demand of the occupants. The short-term rental property shall be free of debris both on-site and in the adjacent portion of the street.

.0120 Prior to occupancy pursuant to each separate occasion of rental of a short-term rental unit, the owner or the owner's agent shall enter into a written rental agreement with a responsible person which establishes and sets out the terms and conditions of the rental agreement and requires the responsible person to (1) provide his or her name, age, address, and driver's license number or passport number and agree to be accessible to the owner, the owner's agent and the local contact person (if any) by telephone at all times, and (2) acknowledge his or her understanding of all City of Anaheim short-term rental rules and agree that he or she is liable for any fines incurred by occupants and legally responsible for compliance by all occupants of the short-term rental unit with all provisions of this chapter and this code, including the requirement that an adult occupant provide immediate access to an enforcement officer to investigate a complaint or suspected violation of this chapter or of the code or any applicable law, rule, or regulation pertaining to the use or occupancy of a short-term rental property. Said written rental agreement shall also include the following terms, notifications and disclosures, a copy of which rental agreement shall be given to each occupant and shall also be posted in a conspicuous location inside the short-term rental unit and shall be readily available for inspection upon request of any enforcement officer or the city's Police Department:

(a) The maximum number of occupants that are permitted and notification that failure to conform to the maximum occupancy is a violation of this chapter.

(b) The number of off-street parking spaces provided on the short-term rental property and the maximum number of vehicles that are permitted, along with a summary of all applicable parking rules.

(c) The trash pick-up day(s) and applicable rules and regulations pertaining to leaving or storing trash on the exterior of the short-term rental property.

(d) Notification that occupants may be cited or fined by the city and/or

that the owner or the owner's agent has the right to immediately terminate the rental agreement and immediately evict the responsible person and all occupants upon any violation of this chapter or the code by any occupant.

(e) The name of the owner's agent and the name of the local contact person (if any) and a telephone number at which those persons may be reached at all times and 9-1-1 Emergency information.

(f) Notification of the city's Loud and Unreasonable Noise Ordinance (Chapter 6.73 of the code), which restricts excessive noise between the hours of 10 p.m. and 7 a.m.

(g) A clear and conspicuous statement that occupants must obey the requirements set forth in this chapter even if these requirements are more strict than the applicable covenants, conditions and restrictions or other rules or regulations of the governing body of any homeowners' association or maintenance organization having jurisdiction over the short-term rental property.

(h) A summary of any applicable covenants, conditions and restrictions and rules and regulations, including pool location and hours, of the governing body of any homeowners' or maintenance association having jurisdiction over the short-term rental property. It is the responsibility of the owner and not the city to investigate, verify with the relevant homeowners' association or maintenance organization, and determine that the use of a dwelling as a short-term rental does not violate any applicable covenants, conditions and restrictions or any of the regulations or rules of the homeowners' association or maintenance organization having jurisdiction in connection with the short-term rental property. Notwithstanding the city's issuance of a short-term rental permit, the city shall not have any obligation or be responsible for making a determination regarding whether or not the issuance of a short-term rental permit or the use of a dwelling as a short-term rental is permitted under any covenants, conditions and restrictions or any of the regulations or rules of the homeowners' association or maintenance organization having jurisdiction in connection with the short-term rental property, and the city shall have no enforcement obligations in connection with such covenants, conditions and restrictions or such regulations or rules.

(i) A copy of this chapter of the code, as the same may be amended from time to time.

(j) Notification that no musical instrument, loudspeaker, amplified or reproduced sound, or any machine or device for the production or reproduction of any sound shall be used outside or be audible from the outside of a short-term rental unit between the hours of 10:00 p.m. and 9:00 a.m.

(k) Notification that occupants shall comply with "quiet time," meaning that they may not engage in activities outside of a short-term rental unit between the hours of 10:00 p.m. and 9:00 a.m. that involve the use of swimming pools, hot tubs, spas,

tennis and paddleboard courts, play equipment or other similar and related improvements or equipment and other activities that might be expected to cause discomfort or annoyance to any reasonable person of normal sensitivity residing in the area.

(l) Notification that any adult occupant of the short-term-rental, must, upon presentation of reasonable identification by an enforcement officer, provide the officer immediate access to the short-term-rental property and dwelling to investigate a complaint or suspected violation of this chapter or of the code or any applicable law, rule, or regulation pertaining to the use or occupancy of a short-term rental property, and that failure to provide such access is a major violation of this chapter.

.0121 It is unlawful for any owner, occupant, renter, lessee, person present upon, or person having charge or possession of a short-term rental to make or continue or cause to be made or continued any loud, unnecessary or unusual noise which disturbs the peace and quiet of any neighborhood or which causes discomfort or annoyance to any reasonable person of normal sensitivity residing in the area, or violates any provision of the city's Loud and Unreasonable Noise Ordinance (Chapter 6.73 of this code).

.0122 The owner, the owner's agent and the local contact person shall ensure that the occupants of a short-term rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of this code or any state law pertaining to noise, disorderly conduct, overcrowding, the consumption of alcohol, or the use of illegal drugs. Owners, owners' agents and local contact persons are expected to take any measures necessary to abate disturbances, including, but not limited to, directing the occupants of a short-term rental unit to cease the disturbing conduct, calling for law enforcement services or enforcement officers, removing the occupant(s), or taking any other action necessary to immediately abate the disturbance.

.0123 Unless the garage of the dwelling has been included in the calculation of the number of available off-street parking spaces pursuant to this chapter, a garage may be used by the owner and occupants of a short-term rental as a game room in accordance with the city's requirements therefor; provided, however, that (a) no couches or other furniture designed for use as, or conducive to, sleeping accommodations shall be located inside a garage; (b) no independent living accommodations and facilities (including provisions for living, sleeping, eating, cooking and sanitation) shall be located inside a garage; (c) the garage door must be kept closed and the Planning Director may require soundproofing of the garage as a condition of permit issuance on the basis of substantiated complaints of noise emanating from the garage; (d) a garage may not be used at any time for sleeping purposes; (e) a garage may not be permanently modified to preclude its future use for the parking of vehicles; and (f) a garage may not be used as a game room between the hours of 10:00 p.m. and 9:00 a.m.

.0124 All short-term rentals shall be subject to the city's transient occupancy tax, as required by Chapter 2.12 of this code.

.020 The Planning Director shall have the authority at any time to impose additional

conditions on the use of any short-term rental unit and/or property to ensure that any potential secondary effects unique to the subject short-term rental unit or property are avoided or adequately mitigated.

.030 The Planning Director is authorized to modify the standard conditions upon request of an owner or an owner's agent based on site-specific circumstances for the purpose of allowing accommodation of a short-term rental unit and/or property. All requests must be in writing and shall identify how the strict application of one or more of the standard conditions create an actual and unreasonable hardship to a property such that, if the requirement is not modified, reasonable use of the property for a short-term rental would not be allowed. Any hardships identified must relate to physical constraints to the short-term rental property and shall not be self-induced or economic. Any modifications of the standard conditions shall not further exacerbate an already existing problem. In addition, the Planning Director is authorized to modify the standard conditions for a dwelling with a short term rental permit duly issued prior to the adoption of the moratorium on September 15, 2015 to accommodate for physical changes that added square footage or converted existing space to bedrooms pursuant to city building permits approved on or after the adoption of the moratorium on September 15, 2015. A request for such a modification must be in writing, identify the actual and unreasonable hardship to the owner that would occur if the accommodation is not allowed, and provide such other supplemental information as may be required by the Planning Director. The Planning Director shall only allow modifications which are consistent with the purpose and intent of this chapter.

4.05.110 AUDIT.

Each owner, owner's agent or representative of any owner shall provide access to each short-term rental unit and any records related to the use and occupancy of the short-term rental unit to the Planning Director at any time during normal business hours for the purpose of inspection or audit to determine that the objectives and conditions of this chapter are being fulfilled.

4.05.120 RESPONSIBILITIES OF HOSTING PLATFORMS.

.010 No Listing or Advertisement of Unpermitted Short-Term Rental. No hosting platform shall list or advertise a short-term rental for which the city has not issued a permit. Upon written or electronic notification from the city that the city has not issued a permit for a short-term rental which is listed or advertised on the Internet web site provided or maintained by a hosting platform, the hosting platform shall discontinue and remove the listing or advertisement within ten five–(105) calendar days from the transmittal date of the notification. The hosting platform thereafter shall not list or advertise the short-term rental without written certification from the city that the required permit has been issued.

.020 No Facilitation of Violation of Law. A hosting platform shall not otherwise facilitate (see Section 4.05.030 GE. of this chapter) the occupancy of a short-term rental

if the occupancy will violate any ordinance, regulation or law of the city.

.030 Conformance to Law. The provisions of this section shall be interpreted in accordance with otherwise applicable state and federal law(s) and will not apply if determined by the city to be in violation of any such law(s).

4.05.130 VIOLATIONS/PENALTIES.

.010 Administrative Citation. In addition or as an alternative to any other remedy provided by state law or this code, the city, the city's Police Department or an enforcement officer may issue a civil citation to the owner, the owner's agent, the local contact person, the responsible person, or the hosting platform if there is any violation of this chapter or the code committed, caused or maintained by such person or entity. When a violation occurs, it is not required that a warning or notice to cure must first be given, before a citation may be issued. All complaints for any violation of this chapter may be handled by either the city's Police Department or enforcement officers on a twenty-four (24) hour basis. Any police report where the city's Police Department has concluded that a violation of this chapter has occurred, may be submitted to the city's Community Preservation Manager for review, processing and issuance of a civil citation. Each and every day, or portion thereof, that a violation of this chapter exists constitutes a separate and distinct violation for which a civil citation may be issued. Such a civil citation shall be issued, notice given, and any appeals heard by the processes and in the manner prescribed by Chapter 1.20 of this code.

.0101 Responsible Person. The city may issue and the responsible person for each short-term rental may receive a civil citation for any violation of this chapter as follows:

- (1) A two hundred dollar (\$200.00) fine for each minor offense;
- (2) A five hundred dollar (\$500.00) fine for each major offense.

.0102 Owner, Owner's Agent or Local Contact Person. The city may issue and the owner, the owner's agent or the local contact person may receive a civil citation for any violation of this chapter or the code by the owner, the owner's agent, the local contact person, the responsible person or the occupants of the owner's short-term rental as follows:

- (1) First offense — a two hundred dollar (\$200.00) fine for a minor offense and one thousand dollar (\$1,000.00) fine for a major offense;
- (2) Second offense within any continuous period of twelve (12) consecutive months in connection with the same short-term rental property — a four hundred dollar (\$400.00) fine if the offense is a minor offense and a one thousand five hundred dollar (\$1,500.00) fine if the offense is a major offense;

(3) Third and subsequent offenses within any continuous period of twelve (12) consecutive months in connection with the same short-term rental property — a one thousand dollar (\$1,000.00) fine if the offense is a minor offense and a two thousand five hundred dollar (\$2,500.00) fine if the offense is a major offense, and if the offense is a major offense, the penalty of revocation of the short-term rental permit pursuant to Section 4.05.130 of this code shall also be applicable;

(4) Any offense occurring during any permit revocation period — a two thousand five hundred dollar (\$2,500.00) fine;

.0103 Hosting Platform. ~~F~~Unless prohibited by any state or federal law, the city may issue and the hosting platform may receive a civil citation for any violation of this chapter or the code by the hosting platform as follows:

(1) First offense — a five hundred dollar (\$500.00) fine;

(2) Second offense within any continuous period of twelve (12) consecutive months — a one thousand dollar (\$1,000.00) fine;

(3) Third and subsequent offenses within any continuous period of twelve (12) consecutive months — a two thousand dollar (\$2,000.00) fine.

.0104 Person or Entity Operating a Short-Term Rental Without a Short-Term Rental Permit. The city may issue and a person or entity operating a short-term rental without a short-term rental permit may receive a civil citation therefor as follows: a five hundred dollar (\$500.00) fine for each day that a violation occurs.

.020 Misdemeanor. In addition or in the alternative, any violation of this chapter may constitute a misdemeanor, which may be subject to the maximum punishment therefor as allowed by law.

.030 Public Nuisance. It is unlawful and a violation of this chapter, and is hereby declared a public nuisance, for any person to commit, cause or maintain a violation of any provision or to fail to comply with any of the requirements of this chapter. Any person violating any of the provisions or failing to comply with any of the requirements of this chapter will be subject to civil action and/or criminal prosecution. Each and every day in which a violation is committed will constitute a new and separate offense. In addition, the operation or maintenance of an unpermitted short-term rental may be abated or summarily abated by the city in any manner by this code or otherwise provided by law for the abatement of public nuisances. Pursuant to Government Code Section 38773, all expenses incurred by the city in connection with any action to abate a public nuisance will be chargeable to the persons creating, causing, committing, or maintaining the public nuisance.

.040 Modification, Suspension or Revocation. A violation of any provision of this chapter by any owner, owner's agent, local contact person, responsible person or

occupant of a short-term rental shall constitute grounds for modification, suspension or revocation of the short-term rental permit pursuant to Section 4.05.140 of this chapter. When a violation occurs, it is not required that a warning or notice to cure must first be given in order to impose the sanction of modification, suspension or revocation of the short-term rental permit.

.050 Additional Remedies. The remedies provided in this section are not exclusive, and nothing in this section shall preclude the use or application of any other remedies, penalties or procedures established by law.

4.05.140 PROCEDURE FOR IMPOSITION OF MODIFICATION, SUSPENSION AND/OR REVOCATION OF SHORT-TERM RENTAL PERMIT.

.010 Authority to Modify, Suspend and/or Revoke Short-Term Rental Permit. In addition to any other penalty authorized by law, a short-term rental permit may be modified, suspended or revoked for any violation of this chapter or federal, state or local law in accordance with the provisions of this section.

.020 Major and Minor Violations. For purposes of this section,

.0201 A “major violation” consists of any of the following:

- (1) Construction without a permit, excluding emergency repairs that are subsequently permitted;
- (2) A violation of prohibitions on outdoor activities on short-term rental properties;
- (3) A short-term rental for less than the 3-night minimum;
- (4) Exceeding occupancy limitations, including without limitation owner-imposed occupancy limits pursuant to paragraph .0103(e) of subsection .010 of Section 4.05.100 of this chapter;
- (5) A violation of the prohibition for use of the short-term rental for non-lodging purposes, including but not limited to for weddings, receptions, parties, commercial functions, advertised conferences, or other similar assemblies that are separate from the purpose of lodging;
- (6) A violation of the requirement that an enforcement officer, upon the presentation of reasonable identification, be provided with immediate access to the short-term rental property and dwelling to investigate a complaint or suspected violation of this chapter or of the code or any applicable law, rule, or regulation pertaining to the use or occupancy of a short-term rental property;

(7) The unpermitted use of a garage as a game room or for sleeping purposes;

(8) A failure of the owner to obtain the signature of the primary occupant of the short-term rental acknowledging the rules;

(9) A violation of the city's Loud and Unreasonable Noise Ordinance;

(10) A failure to pay the Transient Occupancy Tax (TOT) required for the short-term rental;

(11) Criminal activities on the premises; or

(12) Two (2) minor violations of the same type in connection with the same short-term rental property during any continuous period of twelve (12) months or four (4) minor violations of different types in connection with the same short-term rental property within any continuous period of twelve (12) months.

.0202 A "minor violation" is any violation of any law, ordinance, resolution, or permit condition regulating short-term rentals or short-term rental properties or any other provisions of federal, state or local law that does not constitute a "major violation" as set forth above.

.030 Modification of Conditions; Suspension or Revocation of Permit. The Planning Director shall have the authority to impose additional conditions on any short-term rental permit in the event of any violation of any condition of the permit or any violation of this chapter or federal, state or local law. The Planning Director shall also have the authority to suspend or revoke a short-term rental permit for any two (2) major violations in connection with the same short-term rental property within a continuous period of twelve (12) months. A change of ownership shall have no effect on the accumulation of violations against the short-term rental property. Any modification of conditions or suspension or revocation of a short-term rental permit shall be in accordance with the following procedures.

.0301 The Planning Director, or his/her authorized representative, shall conduct an investigation whenever he or she has reason to believe that an owner, an owner's agent or local contact person is in violation of, or has failed to comply with, any condition of the short-term rental permit, any requirements of this chapter or federal, state or local law.

.0302 Should the investigation reveal substantial evidence to support a finding that a violation occurred, the Planning Director shall issue a written notice of intention to modify, suspend and/or revoke the permit. The written notice shall be served on the owner, shall specify the facts which, in the opinion of the Planning Director, constitute substantial evidence to establish grounds for modification, suspension and/or revocation, and state that the permit will be modified, suspended or revoked within thirty (30)

calendar days from the date the notice is given unless the owner or person aggrieved by the Planning Director's decision files with the City Clerk, before the modification, suspension or revocation becomes effective, a request for an administrative hearing to appeal the decision pursuant to Section 4.05.150.

4.05.150 APPEALS AND ADMINISTRATIVE HEARING PROCEDURE FOR ADMINISTRATIVE DETERMINATIONS.

.010 Request for Administrative Hearing.

0101. Any request for an administrative hearing to appeal the decision of the Planning Director (hereinafter "administrative determination") pursuant to this chapter (hereinafter "appeal") must be made in accordance with this section. Any appeal must be in writing, accompanied by any required fee or fees established by resolution of the City Council, and submitted to the City Clerk. Any such appeal must be received by the City Clerk within ten (10) calendar days of the date the written notice of the administrative determination being appealed is mailed (via first class delivery) to the interested and affected person.

0102. The letter of appeal must state: (1) the specific administrative determination or action being challenged (including an identification of the date on which the administrative determination was issued); (2) the action appellant requests the city to take; (3) all factual and legal grounds which the appellant wishes the city to consider as reasons for the appeal (such grounds to be identified by the appellant shall include, without limitation, any and all constitutional or statutory claims); and (4) the name, address and telephone number of the appellant and any authorized representatives of the appellant.

0103. Any administrative determination that is subject to the appeal provisions of this chapter shall be final unless appealed pursuant to the requirements of this chapter. Failure to timely request an administrative hearing, and/or to fully state all factual and legal grounds for the appeal, in the manner required by this chapter constitutes a waiver of the appeal and a failure to exhaust administrative remedies.

0104. Any notices required by this chapter shall be served either: (1) by personal delivery to the person to be notified, or (2) by deposit in the United States mail in a sealed envelope, postage prepaid, addressed to the person to be notified at the person's last known business or residence address as determined by the Planning Director. The person effecting service of any notice under this section may memorialize the service by written declaration under penalty of perjury, declaring the date, time, and manner that service was made, and the date and place of posting, if applicable. The declaration, along with any receipt card returned in acknowledgment of receipt by certified mail, shall be affixed to a copy of the notice of violation and retained by the Planning Director.

.020 Hearing Procedure.

0201. Selection of Hearing Officer. After the receipt of a request for an appeal, the City Clerk shall designate an "Employee Hearing Officer", as established in paragraph .0101 of subsection .010 of Section 1.12.110 of this code, to hear the appeal at an administrative hearing..

0202. Notice of Hearing. The hearing shall be conducted by the Employee Hearing Officer on the date, time, and location specified in the written notice of hearing delivered by the Planning Director to the appellant.

0203. Continuances. The Employee Hearing Officer may continue a hearing from time to time, and may request additional information from the Planning Director or the appellant before issuing a decision.

0204. Written Reports. All documents provided by the city in support of the determination that is the subject of the appeal shall be accepted by the Employee Hearing Officer as prima facie evidence of the facts stated in such documents. If the city submits any such documents to the Employee Hearing Officer, then a copy of the documents shall be served on the appellant at least five (5) days before the hearing.

0205. Appearance by City Representatives. The Planning Director and other representatives of the city may, but need not, appear and present evidence at the hearing.

0206. Failure to Appear. The failure of the appellant to appear at the hearing shall constitute a failure to exhaust his or her administrative remedies.

0207. At the Hearing. At the hearing, the appellant shall be given the opportunity to testify and to present evidence concerning the determination that is the subject of the appeal, including any evidence to show cause why the action the appellant is asking the city to take should be taken, and the appellant shall raise any and all legal and factual issues and claims concerning the determination under this section that is the subject of the appeal. The hearing need not be conducted in accordance with the technical rules of evidence. Any relevant evidence may be admitted if it is evidence on which reasonable persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might consider such admission improper in a civil action. The Employee Hearing Officer may exclude irrelevant or unduly repetitious evidence.

.030 Hearing Officer's Decision.

0301. Decision. After considering the testimony and evidence presented at the hearing, the Employee Hearing Officer shall issue a written decision, based on the preponderance of evidence, to uphold or overturn the original determination that is the subject of appeal, including the findings on which the decision was made. If the determination is overturned, the Employee Hearing Officer may remand the action to the Planning Director with directions to modify the determination. The Employee Hearing Officer shall send a copy of the decision to the appellant and to the Planning Director.

0302. Cost Recovery. The Employee Hearing Officer's written decision shall include a determination regarding fees and charges owed by the appellant, as required by this code.

0303. Finality of Decision. The Employee Hearing Officer's decision is final and may not be appealed. The decision shall include information regarding the appellant's right to seek judicial review of the Employee Hearing Officer's decision.

4.05.160 EFFECT OF SHORT-TERM RENTALS ORDINANCE ON OTHER PROVISIONS OF CODE.

The issuance of any short-term rental permit pursuant to this chapter shall not relieve the owner of the obligation to comply with all other provisions of this code pertaining to the use and occupancy of the short-term rental or the property on which it is located.

4.05.170 NO VESTED RIGHTS.

Except in instances where constitutional principles or binding state or federal law otherwise provide, neither the provisions of the code nor any ordinances or other measures concerning short-term rentals are a grant of vested rights to continue as a short-term rental indefinitely, and any short-term rental use and/or permits for a short-term rental use are subject to provisions of other ordinances, resolutions, or other city measures concerning short-term rentals that may be enacted or adopted concurrently with or after the **August 11, 2016**, though such ordinances, resolutions, or other city measures may change the terms, conditions and/or duration for a short-term rental use, including but not limited to those that may terminate some or all short-term rental uses, with or without some period of amortization. While this recitation concerning vested rights is implicit in any uses permitted by the city, this explicit recitation is set forth to avoid any uncertainty or confusion.

SECTION 2. Effective upon the effective date of this ordinance, all ordinances, and provisions of the Anaheim Municipal Code and sections thereof, including specifically, Ordinances Nos. 6343, 6347, and 6369, inconsistent herewith shall be hereby repealed to the extent of such inconsistency and no further.

SECTION 3. SEVERABILITY.

The City Council of the City of Anaheim hereby declares that should any section, paragraph, sentence, phrase, term or word of this ordinance be declared for any reason to be invalid, it is the intent of the City Council that it would have adopted all other portions of this ordinance independent of the elimination of any such portion as may be declared invalid. If any section, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this

Ordinance, and each section, subdivision, paragraph, sentence, clause and phrase thereof, irrespective of the fact that any one (or more) section, subdivision, paragraph, sentence, clause or phrase had been declared invalid or unconstitutional.

SECTION 4. CERTIFICATION

The City Clerk shall certify to the passage of this ordinance and shall cause the same to be printed once within fifteen (15) days after its adoption in the *Anaheim Bulletin*, a newspaper of general circulation, published and circulated in the City of Anaheim.

SECTION 5. EFFECTIVE DATE

This ordinance shall take effect and be in full force thirty (30) days from and after its final passage.

THE FOREGOING ORDINANCE was introduced at a regular meeting of the City Council of the City of Anaheim held on the ____ day of _____, 2016, and thereafter passed and adopted at a regular meeting of said City Council held on the ____ day of _____, 2016, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ANAHEIM

By: _____
MAYOR OF THE CITY OF ANAHEIM

ATTEST:

CITY CLERK OF THE CITY OF ANAHEIM