

ORDINANCE NO. _____

ORDINANCE OF THE CITY OF CHULA VISTA ADDING
CHAPTER 5.68, “SHORT-TERM RENTALS” TO TITLE 5 OF
THE CHULA VISTA MUNICIPAL CODE TO ESTABLISH
REGULATIONS, STANDARDS, AND A PERMITTING
PROCESS FOR SHORT-TERM RENTALS

WHEREAS, in recent years, technology and innovation have expanded the renting of residential dwelling units for transient stays of less than thirty (30) days (“Short-Term Rentals”) as a form of lodging in which visitors are able to stay in and experience a local community; and

WHEREAS, Short-Term Rentals provide an opportunity for residents to generate supplemental income by participating in the sharing economy, generate Transient Occupancy Taxes (“TOT”) to the City, support economic activity, and provide an alternative form of lodging to visitors to Chula Vista; and

WHEREAS, Short-Term Rentals represent a commercial use in a residential neighborhood and can result in negative impacts to the surrounding residents; and

WHEREAS, the City has experienced a significant increase in the number of complaints received relating to the operation of Short-Term Rentals, including complaints regarding behavior of occupants, noise, availability of on-street parking, and increased trash; and

WHEREAS, Short-Term Rentals in property other than a primary residence are more likely to create unfavorable consequences, including negative impacts on the residential character of surrounding neighborhoods and increasing nuisance activity;

WHEREAS, the City has a legitimate governmental interest in preserving the residential character of neighborhoods that enhance the quality of life for its residents and visitors by minimizing the adverse impacts of Short-Term Rentals through regulation; and

WHEREAS, the conversion of long-term housing units to Short-Term Rentals reduces housing stock, increasing rents and decreasing availability of affordable housing; and

WHEREAS, the housing shortage in California is well documented and the conversion of long-term housing stock to short-term rentals is detrimental to the City’s economic vitality and quality of life of our residents; and

WHEREAS, this ordinance will protect the City's long-term rental housing stock by ~~allowing only the rental of primary residences~~limiting each permittee to one (1) primary-residence Short-Term Rental and one (1) non-primary residence Short-Term Rental; and

WHEREAS, existing law requires Short-Term Rentals to register with the City's Finance Department and to collect and remit TOT to the City; and

WHEREAS, approximately 350 properties in Chula Vista are offered as Short-Term Rentals, but as of October 2021, only 125 properties have registered with the City's Finance Department and are remitting TOT; and

WHEREAS, the City has a legitimate interest in ensuring the collection and payment of TOT; and

WHEREAS, the Chula Vista Municipal Code does not adequately address the issue of regulating the permitting and operation of Short-Term Rentals and on March 16, 2021, the City Council received a report and directed staff to conduct public outreach and draft such regulations; and

WHEREAS, staff held two community outreach events and conducted an online survey to collect stakeholder input; and

WHEREAS, pursuant to its police powers, including but not limited to California Constitution Article XI, Sections 5(a) and 7 authority over municipal affairs, the City of Chula Vista has general authority to enact and enforce ordinances for the public peace, health, safety, and welfare of its residents;

WHEREAS, it is the intent of the City Council to adopt a comprehensive set of requirements, restrictions, and robust enforcement procedures with regard to the operation of Short-Term rental units in the City in order to preserve and protect the public peace, health, safety, and welfare of its residents.

NOW THEREFORE the City Council of the City of Chula Vista does ordain as follows:

Section I. Chapter 5.68 is added to the Chula Vista Municipal Code to read as follows:

Chapter 5.68
SHORT-TERM RENTALS

Sections:

5.68.010	Title.
5.68.020	Purpose and Intent.
5.68.030	Definitions.
5.68.040	Permit Required.
5.68.050	Eligibility Requirements.
5.68.060	Agents.
5.68.070	Permit Application Requirements.
5.68.080	Renewals.
5.68.090	Transfers.
5.68.100	Term of Permit.
5.68.110	Operational Requirements.
5.68.120	Short-Term Rental Event Permit.
5.68.130	Limitations on City's Liability.
5.68.140	Audit Inspection.
5.68.150	Responsibilities of Hosting Platforms.
5.68.160	Violations/Penalties.
5.68.170	Procedure for Imposition of Modification, Suspension and/or Revocation of Short-Term Rental Permit.
5.68.180	Appeal Procedures.
5.68.190	Effect of Short-Term Rentals Ordinance on Other Provisions of Code.
5.68.200	Promulgation of Regulations, Standards, and Other Legal Duties.
5.68.210	No Vested Rights.
5.68.220	Effective Date.

5.68.010 TITLE.

Chapter 5.68 is known as the "Short-Term Rentals Ordinance," may be cited as such, and will be referred to herein as "this chapter."

5.68.020 PURPOSE AND INTENT.

The purpose of this chapter is to establish rules governing the Short-Term Rental (defined below) of Dwellings (defined below) within the City. With such rules, with respect to Short-Term Rental activities, the City desires to ensure the collection and payment of Transient Occupancy Taxes; reduce the burden on City services; minimize the negative secondary effects of such use on residential neighborhoods; and ensure that such Short-Term Rental activities do not become a nuisance, or threaten the health, safety or welfare of persons residing in residential neighborhoods and patronizing Short-Term Rentals.

5.68.030 DEFINITIONS.

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

- A. "Agent" means a Person engaged or appointed by an Applicant or Permittee to represent and act on behalf of an Applicant or Permittee (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 Applicant or Permittee in accordance with Section 5.68.060.
- B. "Applicant" means a Person that has applied for a Short-Term Rental Permit. Applicants may be Owners or Long-Term Tenants.
- C. "Bedroom" means a room designated primarily for sleeping that meets the definition of the California Building Codes currently adopted by the City. Lofts that meet California Building Code egress requirements are considered a bedroom for the purposes of this definition.
- D. "City Manager" means the City Manager of the City, or designee.
- E. "Director of Development Services" means the Director of Development Services of the City, or designee.
- F. "Dwelling" has the meaning provided in Section 19.04.074 of this code. "Dwelling" also means 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 and may sometimes be referred to interchangeably in this chapter as a "Dwelling Unit".
- G. "Enforcement Officer" means the Director of Development Services, the Code Enforcement Manager, any Code Enforcement Officer, the Building Official, any sworn Officer of the Police Department, the Fire Chief, the Fire Marshal, or any other City department head (to the extent responsible for enforcing provisions of this code), their respective designees, or any

other City employee designated by the Director of Development Services or City Manager to enforce this chapter.

H. "Expiration Date" means the last day of the month occurring twelve (12) months from the date of permit issuance (e.g., if the permit is issued on March 15th, the Expiration Date shall be March 30th of the following year).

I. "Hosting Platform" means a Person or entity that facilitates a Short-Term Rental for an Owner or an Agent, 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 or an Agent 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 the California Business and Professions Code.

J. "Local Contact Person" means a Person designated by an Owner or an 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 one (1) hour 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 an Agent.

K. "Long-Term Tenant" means the long-term (greater than thirty (30) days) renter or lessee of a Dwelling.

L. "Non-~~p~~Primary Residence" means a Dwelling that is not a Primary Residence. For properties with two (2) or more existing legally permitted Dwelling Units (e.g., a duplex), the term "Non-Primary Residence" shall mean each unit located on that property, excluding Accessory Dwelling Units or a Junior Accessory Dwelling Units for which a construction permit was applied for on January 1, 2020, or later. Accessory Dwelling Units or Junior Accessory Dwelling Units for which a construction permit was applied for prior to January 1, 2020, and any other accessory habitable structures that are located on a Non-Primary Residence property shall be considered part of the primary single-family residence for purposes of this chapter.

M. "Non-Primary Residence Short-Term Rental" means a Non-Primary Residence being operated as a Short-Term Rental.

~~M.N.~~ "Occupant" means any Person who is on or in a Short-Term Rental Property other than service providers, the Owner, or the Long-Term Tenant, whether or not the Person stays overnight.

~~N.O.~~ "Owner" means the Person(s) or entity(ies) that holds legal or equitable title to a property containing a Dwelling. "

~~O.P.~~ "Partial-Home Short-Term Rental" means the rental of any portion of a Dwelling while the Owner or Long-Term Tenant is physically present and residing in the Dwelling Unit. Rental of an Accessory Dwelling Unit or Junior Accessory Dwelling Unit for which a construction permit was

applied for prior to January 1, 2020, or any other accessory habitable structure that is not a Primary Residence shall be considered a Partial-Home Short-Term Rental if the Owner or Long-Term Tenant is physically present and residing in at least one Dwelling Unit on the Short-Term Rental Property during the rental period.

~~P.Q.~~ "Permittee" means a Person that holds a duly issued and valid Short-Term Rental Permit.

~~Q.R.~~ "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.

~~R.S.~~ "Primary Residence" means a Person's permanent residence or usual place of return for housing as documented by at least two (2) of the following: motor vehicle registration; driver's license; voter registration; tax documents showing the residential unit as the Person's residence; or a utility bill. A Person may have only one (1) Primary Residence and must reside there for a minimum of two hundred seventy-five (275) days during the calendar year. For properties with two (2) or more existing legally permitted Dwelling Units (e.g., a duplex), the term "Primary Residence" shall apply individually, to each unit that meets the criteria previously described. Accessory Dwelling Units or Junior Accessory Dwelling Units for which a construction permit was applied for prior to January 1, 2020, and any other accessory habitable structures that are located on a Short-Term Rental Property and do not meet the criteria previously described shall be considered part of the primary single-family residence for purposes of this chapter.

~~S.T.~~ "Primary Residence Short-Term Rental" means a Primary Residence being operated as a Short-Term Rental.

~~T.U.~~ "Rent" means the consideration charged for the occupancy of space in a hotel, campsite, or Dwelling valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever.

~~U.V.~~ "Responsible Person" means each Person that is a party to an agreement for the rental, use and occupancy of a Short-Term Rental Unit.

~~V.W.~~ "Short-Term Rental" means the rental of a Dwelling or a portion thereof, by the Owner or a Long-Term Tenant 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, but for no less than one (1) night in exchange for Rent. 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.

~~W.X.~~ "Short-Term Rental Event Permit" means a permit issued pursuant to the provisions of this chapter that allow the use of a Short-Term Rental Unit for the hosting of any event that exceeds the maximum occupancy of the Short-Term Rental Unit.

~~X.Y.~~ "Short-Term Rental Permit" means a permit issued pursuant to the provisions of this chapter that allows the use of a Dwelling as a Short-Term Rental.

~~Y.Z.~~ "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 San Diego, upon which a Short-Term Rental Unit is 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 other sports courts, and other similar and related improvements.

~~Z.AA.~~ "Short-Term Rental Unit" means a Dwelling, or any portion thereof, which is being rented, or is intended to be rented, as a Short-Term Rental to a Person or group of Persons.

~~AA.BB.~~ "Whole-Home Short-Term Rental" means the rental of the entirety of a Dwelling while the Owner or Long-Term Tenant is not physically present and residing in the Dwelling Unit.

5.68.040 PERMIT REQUIRED.

A. 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. This prohibition includes Dwelling Units advertised for Rent, listed, or Rented for events, parties, weddings, or similar activities of a commercial nature.

B. The Short-Term Rental of a Dwelling is subject to the City's business license requirements (Chapter 5.02 of this code) and the City's transient occupancy tax requirements (Chapter 3.40 of this code). For purposes of the City's transient occupancy tax requirements, the Permittee of a Short-Term Rental shall be considered an Operator and the Responsible Person shall be considered a Transient. In the event that a Short-Term Rental is being operated without a valid Short-Term Rental Permit, the Owner or Long-Term Tenant, as applicable, shall be considered an Operator for purposes of the transient occupancy tax requirements. The payment of a tax imposed under this chapter shall not be construed to authorize the conduct or continuance of any illegal Short-Term Rental or of a legal Short-Term Rental in an illegal manner. Nothing in this chapter authorizes or implies the lawfulness of any activity connected with Short-Term Rentals unless otherwise authorized and allowed in strict and full conformance with this code.

C. It is a violation of this chapter for an Owner or Long-Term Tenant of a Dwelling to establish or operate a Short-Term Rental without first obtaining and maintaining both a valid business license pursuant to Chapter 5.02 of this code and a Short-Term Rental Permit for each property to be used as a Short-Term Rental.

D. It is a violation of this chapter for any Person to establish or operate a Short-Term Rental in the City unless the Owner or Long-Term Tenant has a valid, unexpired Short-Term Rental Permit for such Short-Term Rental pursuant to this chapter. Short-Term Rental Properties with two (2) or more existing legally permitted Dwelling Units (e.g., a duplex) must secure a Short-Term Rental Permit for each Dwelling Unit that will be offered for Short-Term Rental.

5.68.050 ELIGIBILITY REQUIREMENTS.

The following requirements must be met at the time of submitting an application for a permit to operate a Short-Term Rental:

A. The Applicant's Primary Residence must be located in the City.

~~A. The Dwelling Unit shall be the Primary Residence of the Applicant.~~

B. The Dwelling Unit shall not be an Accessory Dwelling Unit (ADU) or a Junior Accessory Dwelling Unit (JADU) for which a construction permit was applied for on January 1, 2020, or later.

C. The Dwelling Unit shall not be a deed restricted affordable housing unit, in a special group residence, or a single room occupancy.

D. A Long-Term Tenant shall not operate a Short-Term Rental without prior written approval of the Owner, such written approval to be provided to the City at the time of application for a Short-Term Rental Permit. An Owner may proactively prohibit Short-Term Rental subletting by tenants at any or all of their owned properties by submitting a notification in writing to the Development Services Department.

E. The Applicant shall not have been subject to a Short-Term Rental Permit revocation during the previous twenty-four (24) month period.

F. The Dwelling Unit shall not have been subject to a Short-Term Rental Permit revocation during the previous twenty-four (24) month period, provided that the Director of Development Services may consider 100% transfers in Ownership of the Dwelling Unit in implementing this provision.

~~F.G. An Applicant may not hold a Short-Term Rental Permit for more than one (1) Non-Primary Residence Short-Term Rental at any given time.~~

5.68.060 AGENTS.

A. An Applicant or Permittee 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 Applicant or Permittee in accordance with this chapter, (b) filing of a complete application for renewal of a Short-Term Rental Permit that has been signed and notarized by the Permittee, (c) management of a Short-Term Rental Property or Short-Term Rental Unit, (d) filing of all reports and remittance of transient occupancy taxes, and (e) compliance with the conditions of the Short-Term Rental Permit and the requirements of this chapter.

B. The Short-Term Rental Permit shall be issued only to and in the name of the Permittee of a Short-Term Rental Unit, who shall be responsible for all requirements of this chapter. Notwithstanding subsection 5.68.060(A), the Owner or Long-Term Tenant 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 an Agent, a Local Contact Person, Responsible Persons, or the Occupants of the Owner's Short-Term Rental Unit.

5.68.070 PERMIT APPLICATION REQUIREMENTS.

A. The Director of Development Services is authorized to issue Short-Term Rental Permits pursuant to this chapter.

B. A permit application shall be submitted to the Director of Development Services upon forms provided by the City and signed by the Applicant under penalty of perjury and shall be accompanied by the permit application fee, as presently designated, or as may be in the future amended, in the master fee schedule of the City. If the property is held in trust or is part of a limited liability company ("LLC"), the trustee or the general member of the LLC must sign the Short-Term Rental Permit application. If the property is held in a corporation's name, the corporation's duly authorized agent shall sign the Short-Term Rental Permit application.

C. The Applicant or the Applicant's Agent, as the case may be, shall within five (5) business days, upon a change of any of the information contained in or accompanying such application, notify the City of such change.

D. An application may be denied if a Short-Term Rental Permit for the same Dwelling or issued to the same Applicant has previously been revoked or suspended.

E. The Director of Development Services shall review each application for completeness and accuracy before it is accepted as being complete and officially filed.

F. In the event that the Director of Development Services determines that an application is incomplete or fails to provide the information and documentation required by this chapter, the Director of Development Services shall notify the applicant in writing, and the Applicant shall have thirty (30) calendar days (or longer as authorized by the Director of Development Services) in which to submit the needed supplemental information or documentation as specified by the Director of Development Services. after the date of notice. 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. Failure to submit the required information within the thirty (30) day period may be cause for denial of the application.

G. The Director of Development Services may require an on-site inspection of the property to be performed by an Enforcement Officer during daytime business hours before confirming that the application complies with all the applicable criteria and provisions of this chapter.

H. As a part of the approval of a permit application, the Director of Development Services may impose such conditions in connection with the permit as he or she deems reasonably necessary in order to fulfill the purposes of this chapter and may require reasonable guarantees and evidence that such conditions will be satisfied.

I. The Director of Development shall approve an application for a Short-Term Rental Permit provided that:

1. At the time of submission of the application, or at any time during the processing of the application, the Dwelling Unit and the Applicant meet the eligibility requirements of Section 5.68.050, and the application meets the conditions of permit issuance pursuant to this section, including payment of the required fees.

2. Such approval shall be conditioned upon and subject to compliance with the conditions identified by the Director of Development Services in the renewal, the operational requirements of Section 5.68.110, and with all other terms, conditions, and requirements of this chapter and the code.

J. If a permit application is denied, the Director of Development Services shall notify the Applicant in writing. The notice will set forth the reasons for denial and the procedures for an appeal of the Director of Development Services' determination.

K. The Director of Development Services' 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 procedures of Section 5.68.180 of this chapter.

L. Upon issuance of a Short-Term Rental Permit in response to a permit application, the Permittee shall comply with all requirements of the business license provisions and transient occupancy tax provisions of this code for the Short-Term Rental Unit.

5.68.080 RENEWALS.

A. If a Permittee desires to renew a Short-Term Rental Permit, the Permittee must apply for and renew a Short-Term Rental Permit annually. Permittee's request for renewal shall indicate any changes to the information or requirements set forth in Section 5.68.070, above.

B. The application for renewal must be filed not later than 30 days prior to the Expiration Date set forth on the permit.

C. The application for renewal shall be submitted to the Director of Development Services upon forms provided by the City and signed by the Permittee under penalty of perjury and shall be accompanied by the permit renewal fee as presently designated, or as may be in the future amended, in the master fee schedule of the City. If the property is held in trust or is part of a limited liability company ("LLC"), the trustee or the general member of the LLC must sign the Short-Term Rental Permit application. If the property is held in a corporation's name, the corporation's duly authorized agent shall sign the Short-Term Rental Permit application.

D. The Permittee or the Permittee's Agent, as the case may be, shall within five (5) business days, upon a change of any of the information contained in or accompanying such renewal application, notify the City of such change.

E. The Director of Development Services shall review each application for renewal of a duly issued permit for completeness and accuracy before it is accepted as being complete and officially filed.

F. In the event that the Director of Development Services determines that an application for renewal is incomplete or fails to provide the information and documentation required by this chapter, the Director of Development Services shall notify the Permittee in writing, and the Permittee shall have thirty (30) calendar days (or longer as authorized by the Director of Development Services) in which to submit needed supplemental information or documentation as specified by the Director of Development Services. The City reserves the right to request additional information and documentation from a Permittee regarding an application for renewal of a Short-Term Rental Permit and to accept responses to requests for supplemental information or documentation. Failure to submit the required information within the thirty (30) day period may be cause for denial of the renewal.

G. The Director of Development Services may require an on-site inspection of the property to be performed by an Enforcement Officer during daytime business hours before confirming that the application complies with all the applicable criteria and provisions of this chapter.

H. As a part of the approval of a renewal application, the Director of Development Services may impose such conditions in connection with the permit as he or she deems reasonably necessary in order to fulfill the purposes of this chapter and may require reasonable guarantees and evidence that such conditions will be satisfied.

I. If 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, the permit shall be automatically extended until the date a determination is made by the Director of Development Services to approve or deny such application for renewal.

J. The Director of Development Services shall approve the renewal of a Short-Term Rental Permit provided that:

1. At the time of submission of the application for renewal, or at any time during the processing of the application for renewal, the Dwelling Unit and the Permittee meet the eligibility requirements of Section 5.68.050, and the application meets the conditions of permit issuance pursuant to Section 5.68.070, including payment of the required fees.
 2. The Director of Development Services finds that no circumstances existed during the term of the permit which would cause a violation to continue to exist.
 3. There are no building, electrical, plumbing, mechanical, fire, health, police, or other code enforcement violations that involve a risk to public or private health or safety (in such event issuance of the permit or the permit renewal may be delayed until the risk to public or private health or safety is resolved).
 4. A previous suspension or revocation proceeding may be a basis for denial.
 5. Such approval shall be conditioned upon and subject to compliance with the conditions identified by the Director of Development Services in the renewal, the operational requirements of Section 5.68.110, and with all other terms, conditions, and requirements of this chapter and the code.
- K. If an application for renewal of a duly issued Short-Term Rental Permit is denied, the Director of Development Services shall notify the Permittee in writing. The notice will set forth the reasons for denial and the procedures for an appeal of the Director of Development Services' determination.
- L. The Director of Development Services' determination on the issuance or denial of a Short-Term Rental Permit in response to a renewal of a duly issued Short-Term Rental Permit may be appealed in accordance with the appeal procedures of Section 5.68.180 of this chapter.
- M. Upon issuance of a Short-Term Rental Permit in response to an application for renewal of a duly issued Short-Term Rental Permit, the Permittee shall comply with all requirements of the business license provisions and transient occupancy tax provisions of this code for the Short-Term Rental Unit.

5.68.090 TRANSFERS.

- A. Within fourteen (14) calendar days of a change of ownership or long-term tenancy of a Short-Term Rental Property, the new Owner or Long-Term Tenant or their Agent shall submit to the Director of Development Services an application for a transfer of a Short-Term Rental Permit, if they wish to continue to operate the Short-Term Rental Unit. The application shall be accompanied by the payment of such fee or fees as presently designated, or as may be in the future

amended, in the master fee schedule of the City. Such application shall contain all the information set forth in Section 5.68.070 of this chapter.

B. 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 Director of Development Services to approve or deny such application.

C. No purchaser of the real property upon which the permitted Short-Term Rental is located shall operate a Short-Term Rental under a previous Permittee's Short-Term Rental Permit if a completed transfer application is not submitted within the fourteen (14) day period specified in paragraph A of this section. Failure to timely submit the required complete application within the fourteen (14) day period may be cause for denial.

D. Any building, electrical, plumbing, mechanical, fire, health, police or code enforcement matter involving a risk to public or private health or safety, 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 if not cured within a reasonable period of time, not to exceed thirty (30) calendar days, after the date on a notice from the Director of Development Services to the Owner or Long-Term Tenant to do so, unless a further extension is granted in writing by the Director of Development Services.

E. No Person shall transfer or attempt to transfer a Short-Term Rental Permit to any other Person, except as authorized by this section. 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 Short-Term Rental Permit transferred in violation of this subsection shall constitute a violation of this chapter.

F. 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.

5.68.100 TERM OF PERMIT.

A. 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 the Expiration Date set forth on the permit or the revocation or suspension 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 or suspension date of the Short-Term Rental Permit. Upon the lapse of a Short-Term Rental Permit because of expiration, a failure to renew, or because revocation has occurred, the Permittee or his/her heirs, successors or assigns shall have no further right to undertake, maintain, facilitate, advertise for Rent, list, Rent, or use

said Dwelling and/or the property as a Short-Term Rental unless subsequently renewed or reinstated under the terms of this chapter.

B. Prior to expiration of a Short-Term Rental Permit, the Permittee may voluntarily cancel the permit by notifying the Director of Development Services 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 Permittee or the expiration of the permit.

C. 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 Permittee, including a Person who acquires a Short-Term Rental Permit by application for a transfer in accordance with Section 5.68.090 of this chapter.

5.68.110 OPERATIONAL REQUIREMENTS.

All Short-Term Rentals are subject to the following operational requirements:

A. **Compliance with Laws.** All Owners, Long-Term Tenants, and Permittees shall cause their Short-Term Rental Property and Short-Term Rental Unit(s), prior to permit issuance or renewal, and at all times during the term of a Short-Term Rental Permit, to be in compliance with all applicable codes regarding fire, building and safety, health and safety, and all other relevant laws, regulations, and ordinances applicable to residential uses and the underlying zone and obtain all permits required and pay all applicable fees.

B. **Limit on Days Per Year.** The Whole-Home Short-Term Rental of a Primary Residence shall be limited to a maximum of ninety (90) days per calendar year. For purposes of interpreting this section, exclusion of minor common spaces shall not be considered in determining Whole-Home Short-Term Rental status. There shall be no limit on the number of days per calendar year that a Primary Residence Partial-Home Short-Term Rental or a Non-Primary Residence Whole-Home Short-Term Rental may operate.

C. **Minimum Stay.** A two (2) consecutive night minimum stay by the same Responsible Person is required for Non-Primary Residence Whole-Home Short-Term Rentals. No minimum stay shall be required for Primary Residence Whole-Home Short-Term Rentals or Partial-Home Short-Term Rentals (Primary Residence or Non-Primary Residence).

~~C.D.~~ **Insurance.** The Permittee shall maintain and provide proof to City of liability insurance appropriate to cover the Short-Term Rental use in the aggregate of not less than one million dollars (\$1,000,000); or conduct each Short-Term Rental transaction through a Hosting Platform that provides equal or greater insurance coverage.

~~D.E.~~ **Update Changed Information.** At any time during the pendency of a Short-Term Rental Permit application or renewal, if a change occurs in any facts set forth in the application or renewal

request, the Permittee shall notify the City of such change immediately, but no later than within fourteen (14) calendar days after the occurrence of such change.

E.F. Safety Requirements. Each Dwelling must satisfy the following requirements to the satisfaction of the City:

1. The property address shall be visible from the street and in contrasting colors for quick identification by emergency responders, day or night.
2. Smoke alarms shall be installed in all habitable areas except the kitchen in accordance with the Chula Vista Building Code. The Permittee shall be responsible for testing and maintaining the smoke alarms.
3. 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 the Dwelling. The Permittee shall be responsible for replacement or recharge after each use. The fire extinguisher shall be fully charged at all times.
4. 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 Permittee shall be responsible for testing and maintaining the carbon monoxide devices.
5. Exterior gates leading to and from the front, side and/or back yards shall not be padlocked.
6. Hallway doors and exit doors shall not be obstructed or otherwise prohibited from fully opening.
7. No double-keyed dead bolt locks may be installed on exit doors.
8. Dwellings with swimming pools, as defined in Chapter 2 of the California Building Code, shall employ gates and other safety devices that conform to the specifications and requirements of the California Building Code.

F.G. Local Contact Person Available. While a Short-Term Rental Unit is rented, the Permittee, the Permittee'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 from the renter and/or public regarding the use, condition, operation or conduct of occupants of a Short-Term Rental Unit. The Permittee, the Permittee'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 one (1) hour 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. In order to facilitate communication, the Permittee shall provide contact information for themselves, the Local Contact and/or Permittee's Agent to the City and the Responsible Person. Failure of the Permittee, the Permittee'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.

G.H. Good Neighbor Handout. Each Short-Term Rental shall post a Good Neighbor Handout inside the permitted premises in close proximity to an entry point that includes emergency contact information for the Permittee and the Local Contact Person (if different). The Good Neighbor Handout shall also provide information about parking restrictions, restrictions on noise and amplified sound, trash collection schedule, relevant water restrictions, fire evacuation routes, and any other information, as required by the Director of Development Services, applicable to the Short-Term Rental and the surrounding neighborhood.

H.I. Good Neighbor Letter. Within ten (10) calendar days following (i) the issuance of a Short-Term Rental Permit, (ii) the issuance of a renewal permit, and/or (iii) the approval of a transfer application, the Permittee shall mail or personally deliver in writing a Good Neighbor Letter, in a form authorized by the Director of Development Services to the owners and occupants of properties located on all sides of and directly across the street (or alley or other right-of-way) from the Short-Term Rental Property. Thereafter, within thirty (30) days of occurrence of any of the events described in (i), (ii) or (iii), the Permittee shall sign under penalty of perjury, and submit to the Director of Development Services, a certification that the required mailing or delivery was completed. If at any time during the term of a Short-Term Rental Permit, the Good Neighbor Letter information for the Permittee or Local Contact Person changes, the Permittee shall promptly mail or personally deliver in writing an updated Good Neighbor Letter to the owners and occupants of properties located on all sides of and directly across the street (or alley or other right-of-way) from the Short-Term Rental Property to maintain accuracy and shall also promptly submit to the Director of Development Services a signed under penalty of perjury certification that the required mailing or delivery of the updated information was completed.

I.J. Off-Street Parking. All Short-Term Rental Property off-street parking shall conform to the provisions of Chapter 19.62 (Off-Street Parking and Loading) of this code; provided, however, that off-street parking spaces may be in tandem to other off-street parking spaces, or in some other on-site location and/or configuration, subject to the approval of the Director of Development Services in their sole and absolute discretion. The Permittee 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 block the driveway or street in front of said property. The term "sidewalk" shall include the portion of the public right-of-way that is delineated for pedestrian travel including where it crosses a driveway.

J.K. On-Street Parking. The maximum number of on-street parking spaces that may be used by a Short-Term Rental Property shall be limited to one (1). For those streets of the City governed by permit parking districts, the Permittee of a Short-Term Rental Property may purchase one (1) parking permit or placard from the City that can be used by guests and must be visibly displayed

inside the vehicle of the Short-Term Rental Occupant, allowing no more than one (1) Occupant vehicle to park on a public street in that particular permit district.

K.L. No Recreational Vehicles. 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 Permittee, the Permittee is also physically occupying the Short-Term Rental Property during that period, the vehicle is not being used by Short-Term Rental Occupants, and in the case of an RV, a valid RV parking permit has been secured for the vehicle.

L.M. Maximum Occupancies. The maximum number of Persons who may occupy the Short-Term Rental at any given time shall be limited to two (2) individual persons per Bedroom, plus two (2) additional individual persons. In no event may the maximum occupancy exceed ten (10) persons in any Short-Term Rental. For purposes of this section, Persons under the age of twelve (12) shall not count toward the occupancy limitation. If the Short-Term Rental Permit limits occupancy to a number less than that calculated pursuant to this section, the limit in the permit shall govern.

M.N. No Large Events. At no time shall a Short-Term Rental Unit or Short-Term Rental Property be used for large-scale events exceeding the maximum allowed occupancy pursuant to this section, unless a Short-Term Rental Event Permit has been issued for such event pursuant to this chapter and only in accordance with the terms for such Permit.

N.O. Advertising. 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 Short-Term Rental Permit number as part of the rental offering.

O.P. Signage. Short-Term Rental Properties shall comply with all signage restrictions and requirements applicable to the zone they are located in.

P.Q. Display of Business License. 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) or Long-Term Tenant(s) of the Dwelling.

Q.R. Duty to Minimize Noise, Disturbance, and Disorderly Conduct. The Permittee, the Permittee'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, including, without limitation, violation of Section 17.24.040 or Chapter 19.68 of this code.

R.S. Quiet Time From 10:00pm to 9:00am. The hours between 10:00 p.m. and 9:00 a.m. are considered to be "quiet time," 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. It shall constitute a major violation if any Occupants 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 fire pits, barbecues, swimming pools, hot tubs, spas, tennis or paddleboard courts, or other similar and related improvements or play equipment, or if any Occupants engage in outdoor parties, outdoor singing, shouting, clapping or other activities generally associated with partying or if Occupants engage in any outdoor drunk or disorderly conduct during those hours. Any other outdoor conduct between the hours between 10:00 p.m. and 9:00 a.m. that disturbs the peace and quiet of the neighborhood adjacent to a Short-Term Rental Property or causes discomfort or annoyance to any reasonable person of normal sensitivity residing in the area, shall constitute a minor violation. It is not a violation for an Occupant to merely be out of doors during quiet time hours, so long as there is no conduct that disturbs the peace and quiet of the neighborhood adjacent to a Short-Term Rental Property or causes discomfort or annoyance to any reasonable person of normal sensitivity residing in the area. The Permittee shall post signs of a size, type and at a location (or locations) acceptable to the Director of Development Services near all doors leading to the exterior of a Short-Term Rental Unit, advising Occupants of "quiet time."

S.T. Trash and Debris. 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 12:00 midnight the day of the scheduled trash collection. The Permittee 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.

T.U. Written Contract Requirements. Prior to occupancy pursuant to each separate occasion of rental of a Short-Term Rental Unit, the Permittee or the Permittee's Agent shall enter into a written rental agreement with a Responsible Person for each separate rental occasion. The Responsible Person (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. The written rental agreement shall establish and set out the terms and conditions of the rental and require the Responsible Person to (1) provide his or her name, age, address, driver's license number or passport number; (2) provide the vehicle license number(s) for any cars to be parked on-street ; (3) agree to be accessible to the Permittee, the Permittee's Agent and the Local Contact Person (if any) by telephone at all times; (4) acknowledge his or her understanding of all City of Chula Vista Short-Term Rental rules; and (5) agree that they are 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. Said written rental agreement shall also include the following terms, notifications, and disclosures:

1. The maximum number of Occupants that are permitted and notification that failure to conform to the maximum occupancy is a violation of this chapter.
2. 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 the number of available permits for parking on the public street (if any), with the requirement to visibly display such permits in the vehicles, and a summary of all applicable parking rules.
3. 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.
4. Notification that Occupants may be cited or fined by the City and/or that the Permittee or the Permittee'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.
5. The name of the Permittee'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.
6. A clear and conspicuous statement that Occupants must obey the requirements set forth in this chapter even if these requirements are stricter 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.
7. 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.
8. A copy of this chapter of the code, as the same may be amended from time to time.
9. A copy of the rental agreement shall be given to each Occupant and shall be readily available for review upon inspections conducted by any Enforcement Officer or the City's Police Department pursuant to this chapter

U.V. **Garages.** 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 Permittee 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 Director of Development Services 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; and (e) a garage may not be permanently modified to preclude its future use for the parking of vehicles.

V.W. Covenants, Conditions, and Restrictions. It is the responsibility of the Permittee 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.

W.X. Transient Occupancy Tax. All Short-Term Rentals shall be subject to the City's transient occupancy tax, as required by Chapter 3.40 (Transient Occupancy Tax) of this code.

X.Y. Receipts to be Maintained. The Permittee shall maintain the amount of gross receipts, including but not limited to Rent and transient occupancy tax paid for each stay in a format required by the City.

Y.Z. City Inspections. Consistent with applicable law, the City shall have the authority to conduct random inspections of Short-Term Rental properties and Short-Term Rental Units as the Director of Development Services 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.

Z.AA. Additional Conditions. The Director of Development Services 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.

AA.BB. Hardships. The Director of Development Services is authorized to modify the standard conditions upon request of an Applicant, Permittee, or their Agent, based on site-specific circumstances for the purpose of allowing accommodation of a Short-Term Rental Unit. 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. An Applicant or Permittee may be

required to provide such other supplemental information as may be requested by the Director of Development Services. The Director of Development Services shall only allow modifications which are consistent with the purpose and intent of this chapter.

5.68.120 SHORT-TERM RENTAL EVENT PERMIT

- A. At no time shall a Short-Term Rental Unit or Short-Term Rental Property be used for large-scale events exceeding the maximum allowed occupancy pursuant to Section 5.68.110 in exchange for Rent unless a Short-Term Rental Event Permit has been issued. For purposes of this section “large scale events” shall include without limitation commercial parties, weddings, fundraisers, conferences, or other similar assemblies that are separate from the purpose of lodging.
- B. The maximum number of Short-Term Rental Event Permits that can be issued per Short-Term Rental Permit unit each term shall be limited to twelve (12). Any application for a Short-Term Rental Event Permit thereafter and within the same permit term shall automatically be deemed null and void by the City.
- C. Each Short-Term Rental Event Permit shall have a maximum term of twelve (12) hours.
- D. A duly issued, valid and in effect, Short-Term Rental Permit shall be required in order to apply for a Short-Term Rental Event Permit.
- E. Short-Term Rental Event Permits may be issued in the following residential zones: R-E – Residential Estates Zone; R-1 – Single-Family Residence Zone; R-2 – One- and Two- Family Residence Zone; MHP – Exclusive Mobilehome Park Zone; R-3 - Apartment Residential Zone; and equivalent residential zones in specific plans or sectional planning area plans that allow residential uses.
- F. The application for a Short-Term Rental Event Permit shall be upon a form provided by the Director of Development Services and accompanied by payment of a Short-Term Rental Event Permit fee set by resolution of the City Council as presently designated, or as may be in the future amended, in the master fee schedule of the City.
- G. The issuance of a Short-Term Rental Event Permit shall not be construed to authorize the conduct or continuance of any illegal Short-Term Rental or of a legal Short-Term Rental in an illegal manner. All Owners, Long-Term Tenants, and Permittees shall cause their Short-Term Rental Property and Short-Term Rental Units, prior to permit issuance and at all times during the term of a Short-Term Rental Event Permit, to be in compliance with all applicable codes regarding fire, building and safety, health and safety, and all other relevant laws, regulations, and ordinances applicable to residential uses and the underlying zone and obtain all permits required and pay all applicable fees.

5.68.130 LIMITATIONS ON CITY'S LIABILITY

To the maximum extent allowed by law, the City shall not incur or assume any direct or indirect liability as a result of having issued a Short-Term Rental Permit or Short-Term Rental Event Permit pursuant to this chapter. As a condition of permit issuance, the Applicant shall provide written acknowledgement and agreement that, in the event a permit is approved and issued, it agrees to assume all risk and defend, indemnify and hold harmless the City concerning the City's approval and issuance 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, except that the Applicant shall not be required to indemnify, defend or hold harmless the City for the City's sole negligence or intentional misconduct. If the Applicant is a Long-Term Tenant where such tenant is offering a Dwelling, or any portion thereof, as a Short-Term Rental, the Owner of the Dwelling that is the subject of the Short-Term Rental Permit shall provide the same written acknowledgement and agreement.

5.68.140 AUDIT INSPECTION.

Each Permittee, Agent, or representative of any Owner (i) shall provide to the Director of Development Services such records relating to the use and occupancy of the Short-Term Rental Unit, and (ii) shall cooperate in the conduct of inspections of the Short-Term Rental Unit, as may be reasonably requested by the Director of Development Services, to determine that the objectives and conditions of this chapter are met.

5.68.150 RESPONSIBILITIES OF HOSTING PLATFORMS.

A. **Take Down Notice.** 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 (10) 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.

B. **Information to be Provided to Responsible Person.** A Hosting Platform operating in the City shall provide the following information to any Person listing a Dwelling Unit through the Hosting Platform's service:

1. Notice of the requirements listed in this chapter, including the requirement to obtain a license prior to any listing;
2. Notice of the transient occupancy tax requirements (Chapter 3.40 of this code).

Upon request by the City, a Hosting Platform shall provide documentation to the City demonstrating that the Hosting Platform provided the required notification. Hosting Platform's failure to provide written notification shall not excuse any Person from complying with any local regulations.

C. **TOT Collection Responsibilities.** The Hosting Platform shall collect all required transient occupancy taxes (Chapter 3.40 of this code) on accommodation transactions facilitated by the Hosting Platform and shall remit the taxes on a monthly basis to the City with the completion of a form approved by the City. A Hosting Platform collecting and remitting transient occupancy taxes under this section shall issue a receipt to each Responsible Person. The Hosting Platform shall separately state on the receipt the amount of the transient occupancy tax charged and maintain a duplicate of such receipt. A Hosting Platform shall maintain all documentation necessary to demonstrate that the proper amount of taxes have been remitted to the City for a period of four (4) years after the date of remittance.

D. **Information to be Collected and Provided to City.** Subject to applicable law, a Hosting Platform with listings located in the City shall provide to the City on a monthly basis, in a format specified by the City, the Short-Term Rental Permit number of each listing, the name of the Person responsible for each listing, the address of each such listing, and, for each booking that occurs within the reporting period, the number of days booked, whether the booking was for a Whole-Home Short-Term Rental or a Partial-Home Short-Term Rental, and the total price paid for each rental.

A Hosting Platform shall maintain, to the extent received from the Person responsible for the listing, the following information for each Dwelling Unit in the City for which the Hosting Platform provided a booking service for a period of four (4) years from the date of the transaction:

1. The first and last name of the Person who offered the Short-Term Rental;
2. The exact street address of the Dwelling Unit, including any unit numbers;
3. The dates for which a Responsible Person procured occupancy of the Dwelling Unit using the booking service provided by the Hosting Platform, and the total number of room nights by reporting period by owner;
4. The amount of gross receipts, including but not limited to Rent and transient occupancy tax, paid for each stay in a format required by the City; and
5. The City Short-Term Rental Permit number and the City Transient Occupancy Tax Certificate number associated with the Short-Term Rental.

A Hosting Platform shall deliver information set forth in this section to the City upon request. The City may apply auditing procedures necessary to determine the amount of taxes due to the City and to ensure compliance with this chapter.

E. **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).

5.68.160 VIOLATIONS/PENALTIES.

A. It shall be unlawful for any Person to violate any provision or fail to comply with the requirements of this chapter or any regulation adopted hereunder. Each day that a violation continues is deemed to be a new and separate offense.

B. Any Person violating any of the provisions or failing to comply with any of the requirements of this chapter or any regulation adopted hereunder shall be guilty of a misdemeanor punishable by a fine of not more than \$1,000 or imprisonment for a period of not more than six months, or by both a fine and imprisonment. No proof of knowledge, intent, or other mental state is required to establish a violation. At the sole discretion of the City Prosecutor, any violation of this chapter may in the alternative be cited and prosecuted as an infraction.

C. Any condition caused or allowed to exist in violation of any of the provisions of this chapter or any regulation adopted hereunder is a public nuisance. Such violation may be abated by the City, or by the City Attorney on behalf the people of the state of California, as a nuisance in any manner provided for in this code, including summary abatement, or otherwise provided by law or equity, including a restraining order, injunction, or any other order or judgment in law or equity issued by a court of competent jurisdiction. The City, or the City Attorney on behalf of the people of the state of California, may seek injunctive relief to enjoin violations of, or to compel compliance with, this chapter or seek any other relief or remedy available at law or equity, including the imposition of monetary civil penalties. All expenses incurred by the City in connection with any action to abate a public nuisance will be chargeable as authorized by law to the Persons creating, causing, committing, or maintaining the public nuisance.

D. An Enforcement Officer may issue administrative citations or civil penalties in accordance with chapter 1.41 for violation of any of the provisions of this chapter or any regulation adopted hereunder. When a violation occurs, it is not required that a warning or notice to cure must first be given before an administrative citation or civil penalty may be issued. Any report where the City's Police Department has concluded that a violation of this chapter has occurred may be submitted to the Director of Development Services for review, processing and issuance of an administrative citation or civil penalty by an Enforcement Officer.

E. Each criminal citation, administrative citation, and civil penalty issued for a violation of any provision of this chapter may be issued, levied, or assessed against one or more of: the Owner, the Permittee, the Permittee's Agent, a Hosting Platform, the Responsible Party, the Occupant, and any other Person who caused, created, committed, or maintained the violation.

F. A violation of any provision of this chapter by any Permittee, Permittee's Agent, Local Contact Person, Responsible Person or Occupant of a Short-Term Rental shall constitute grounds for modification of the Short-Term Rental Permit.

G. The Director of Development Services may suspend or revoke a Short-Term Rental Permit if any three (3) major violations are issued in connection with the same Short-Term Rental Property within a continuous period of twelve (12) months, including major violations that result from aggregating minor violations into a major violation as described in section 5.68.160(I)(1)(h) below. A change of ownership shall have no effect on the accumulation of violations against the Short-Term Rental Property.

H. 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.

I. For purposes of this section,

1. A "major violation" consists of any of the following:

- a. Operating a Short-Term Rental without securing a Short-Term Rental Permit pursuant to this chapter;
- b. Exceeding Short-Term Rental Unit occupancy limitations without securing a Short-Term Rental Event Permit pursuant to this chapter;
- c. Any Occupants engaging 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 fire pits, barbecues, swimming pools, hot tubs, spas, tennis or paddleboard courts, or other similar and related improvements or play equipment, or if any Occupants engage in outdoor parties, outdoor singing, shouting, clapping or other activities generally associated with partying or if Occupants engage in any outdoor drunk or disorderly conduct during those hours;
- d. The Permittee, the Permittee's Agent and/or the Local Contact Person, failing to respond to an Enforcement Officer's request, respond within one (1) hour, or to reasonably cooperate in facilitating an investigation and the correction of a suspected violation of this chapter;
- e. The unpermitted use of a garage as a game room or for sleeping purposes at a Short-Term Rental Unit or on a Short-Term Rental Property;

- f. Criminal activities by the Permittee, Permittee's Agent, the Local Contact Person, or any Occupant on the premises; however, a minor violation shall not be deemed a criminal activity for purposes of constituting a major violation merely because any violation of this chapter may constitute a misdemeanor or a public nuisance;
 - g. Any other violation of this chapter determined by the City Manager to constitute a serious threat to the public health or safety of the community; or
 - h. Four (4) minor violations of any type in connection with the same Short-Term Rental Unit or Short-Term Rental Property during any continuous period of twelve (12) months.
- 2. A "minor violation" consists of any of the following:
 - a. A failure of the Permittee to obtain the signature of the Responsible Person acknowledging the rules;
 - b. A failure to pay the Transient Occupancy Tax (TOT) required for the Short-Term Rental; or
 - c. Any violation of any law, ordinance, resolution, or permit condition regulating Short-Term Rental Units 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.
- J. The City may issue an administrative citation or civil penalty for any violation of this chapter as follows:
 - 1. First offense — not to exceed one hundred dollars (\$100.00) for a minor offense and one thousand dollars (\$1,000.00) for a major offense;
 - 2. Second offense within any continuous period of twelve (12) consecutive months — not to exceed five hundred dollars (\$500.00) if the offense is a minor offense and two thousand dollars (\$2,000.00) if the offense is a major offense;
 - 3. Third and fourth offenses within any continuous period of twelve (12) consecutive months — not to exceed one thousand dollars (\$1,000.00) if the offense is a minor offense and four thousand dollars (\$4,000.00) if the offense is a major offense.
 - 4. Fifth and subsequent offenses within any continuous period of twelve (12) consecutive months — not to exceed one thousand five hundred dollars (\$1,500.00) if the offense is a minor offense and not to exceed five thousand dollars (\$5,000.00) if the offense is a major offense.

K. Unless prohibited by any state or federal law, the City may issue a Hosting Platform an administrative citation or civil penalty for any violation of this chapter or the code by the Hosting Platform as follows:

1. First offense — not to exceed five hundred dollars (\$500.00);
2. Second offense within any continuous period of twelve (12) consecutive months — not to exceed one thousand dollars (\$1,000.00);
3. Third and subsequent offenses within any continuous period of twelve (12) consecutive months — not to exceed two thousand dollars (\$2,000.00).

L. Whenever in this chapter any act or omission is made unlawful, it shall include causing, aiding, abetting, suffering, or concealing the fact of such act or omission.

M. The remedies specified in this section are cumulative and in addition to any other remedies available under state or local law for violation of this code.

N. Nothing in this section shall be construed as requiring the City to allow, permit, license, authorize or otherwise regulate Short Term Rental or Event activity, or as abridging the City's police power with respect to enforcement regarding Short Term Rental or Event activity.

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

A. 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.

B. The Director of Development Services shall have the authority to modify a Short-Term Rental Permit to impose additional conditions or amend existing terms or conditions in the event of any violation of any condition of the permit or any violation of this chapter or federal, state, or local law.

C. Any modification of conditions or suspension or revocation of a Short-Term Rental Permit shall be in accordance with the following procedures.

1. The Director of Development Services shall conduct an investigation whenever they have reason to believe that an Owner, Permittee, Permittee'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.
2. Should the investigation reveal substantial evidence to support a finding that a violation occurred, the Director of Development Services shall issue a written notice of intention to modify, suspend and/or revoke the permit. The written notice shall be served on the responsible Person, shall specify the facts which, in the opinion of the Director of

Development Services, 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 Director of Development Services' 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 5.68.180.

5.68.180 APPEAL PROCEDURES.

A. Any affected Person may appeal a decision of the Development Services Director modifying, denying, suspending, or revoking a Short-Term Rental Permit to the City Manager within thirty (30) calendar days from the date the notice is given. Said appeal shall be in writing and filed with the City Clerk upon forms provided by the Development Services Department and shall specify therein that the decision of the Development Services Director was in error and identify the facts and circumstances on which the claim of error is based. If an appeal is filed within the time limit specified, it shall automatically stay proceedings in the matter until a determination is made by the City Manager. The City Manager shall set the matter for hearing before a hearing examiner and notify the parties in writing of the date and location of the hearing at least ten (10) business days prior to said date.

B. The fee to request an appeal pursuant to this chapter shall be in the form of a deposit, the amount to be determined by the City Manager in accordance with any applicable law based on the anticipated staff cost to conduct the hearing. If the cost of the hearing or appeal exceeds the deposited amount, the requesting party shall be responsible for payment of the additional costs incurred. If the hearing officer determines that the violation is not supported by the evidence, the entire deposited amount will be returned to the party that requested the appeal. The appeal hearing shall be conducted pursuant to Sections 1.30.090 and 1.30.100 of this code.

5.68.190 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 Short-Term Rental Property on which it is located.

5.68.200 PROMULGATION OF REGULATIONS, STANDARDS, AND OTHER LEGAL DUTIES.

A. In addition to any regulations adopted by the City Council, the City Manager is authorized to establish, consistent with the terms of this chapter, any additional administrative rules, regulations and standards governing the issuance, denial or renewal of Short-Term Rental Permits or Short-Term Rental Event Permits and any other subject determined to be necessary to carry out the purposes of this chapter.

B. Regulations shall be published on the City's website and maintained and available to the public in the Office of the City Clerk.

C. Regulations promulgated by the City Council or the City Manager shall become effective and enforceable upon date of publication on the City's website or, with respect to existing Short-Term Rental Permits, upon the date specified in a written notice to Permittees by the City.

5.68.210 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, 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.

5.68.220 EFFECTIVE DATE.

This chapter shall take effect and be in force on February 1, 2022, with the exception of Sections 5.68.040 (Permit Required), 5.68.080 (Renewals), 5.68.120 (Short-Term Rental Event Permit), and 5.68.150 (Responsibilities of Hosting Platforms). Sections 5.68.040, 5.68.080, 5.68.120, and 5.68.150 shall take effect and be in force as of July 1, 2022. Violations of the effective sections of this chapter prior to July 1, 2022 may be cause for denial of a Short-Term Rental Permit application.

Section II. Severability

If any portion of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid, unenforceable or unconstitutional, by a court of competent jurisdiction, that portion shall be deemed severable, and such invalidity, unenforceability or unconstitutionality shall not affect the validity or enforceability of the remaining portions of the Ordinance, or its application to any other person or circumstance. The City Council of the City of Chula Vista hereby declares that it would have adopted each section, sentence, clause or phrase of this Ordinance, irrespective of the fact that any one or more other sections, sentences, clauses or phrases of the Ordinance be declared invalid, unenforceable or unconstitutional.

Section III. Construction

The City Council of the City of Chula Vista intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

Section IV. Effective Date

This Ordinance shall take effect and be in force on the thirtieth day after its final passage.

Section V. Publication

The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

Presented by

Approved as to form by

Tiffany Allen
Director of Development Services

Glen R. Googins
City Attorney