

# PROPOSED CHAPTER 5.92 OF THE DALY CITY MUNICIPAL CODE

## SHORT-TERM RENTAL ORDINANCE

### EXECUTIVE SUMMARY

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The City Council of the City of Daly City will consider adding Chapter 5.92 to Title 5 (*Business Taxes, Licenses and Regulations*) of the Daly City Municipal Code (DCMC) regarding short-term rentals at the following public hearing:

**Monday, January 13, 2020 at 7:00pm**  
**Council Chambers**  
**333 90th Street, Daly City, CA 94015**

The following document provides a summary of the objectives and key points of the proposed Ordinance that will be presented to the City Council.

#### **OBJECTIVES**

1. To prevent long-term rental units from being replaced with Short-Term Rentals and protect affordable housing units from conversion.
2. To preserve and protect neighborhood character and livability from nuisances that are often associated with Short-Term Rentals.
3. To generate City revenue to share City infrastructure cost and other public expenditures by operation of Short-Term Rentals under established standards.
4. To provide alternative forms of lodging.

#### **KEY POINTS OF ORDINANCE**

##### **1. Eligibility**

- a. Short-term rentals would be permitted on properties with single-family residences, condominiums, townhomes, and properties with multiple rental units. For owner-occupied properties with multiple rental units, the owner of such property may only host a short-term rental in the dwelling unit that is their primary residence.
- b. Short-term rentals would not be permitted in inclusionary housing or other-income restricted housing units or on properties with accessory dwelling units (ADUs).
- c. If a dwelling unit is subject to the rules of a homeowners' or condominium association, the Ordinance would not grant any permission that invalidates or supersedes provisions regarding home-sharing.
- d. A host may be an owner or tenant and must be a primary resident of the dwelling unit. A person may only have one primary residence and must reside there for a minimum of nine months per year.

##### **2. Limitations**

- a. Un-hosted stays (i.e. the host is off-site during the guest's stay) would be limited to a maximum of 90 days per year.
- b. Hosted stays (i.e. the host is on-site throughout the guest's stay) would have no limit to the number of days per year.
- c. Short-term rentals would be limited to one booking per property per day. A booking may consist of the short-term rental of one or more bedrooms in the home or the short-term rental of the entire home. A short-term rental may operate in conjunction with a long-term rental, the rental of a primary residence for periods of more than 30 consecutive days, in the home.
- d. Short-term rentals may not be advertised for or used by more than two guests per bedroom plus two additional guests at one time.
- e. No additional parking would be required for short-term rentals. Existing on-site parking spaces shall be made available to guests.

### 3. Requirements

- a. Prospective hosts, homeowners who intend to use their primary residences as a short-term rental, would be required to obtain a business license from the Finance Department and a Short-Term Rental permit from the Planning Division. If the host is not the property owner, a notarized supplemental authorization form signed by all property owners must be submitted with the Short-Term Rental permit application.
- b. The host must designate a local responsible contact person who would be available twenty-four (24) hours per day during the term of any hosted or un-hosted stay and shall respond to any concerns or requests for assistance related to the condition, operation, or conduct of guests of the short-term rental. The local responsible contact person shall take immediate remedial action as needed to resolve such concerns or requests for assistance.
- c. Hosts must comply with all provisions of the Ordinance such as, but not limited to, assuming responsibility for any nuisance violations arising at a property during short-term rental activities and paying transient occupancy taxes.

### 4. Expiration & Renewal

- a. The business license and Short-Term Rental permit will expire on September 30<sup>th</sup> of each year and may be renewed if the host meets all renewal requirements as stipulated in the Ordinance.

### 5. Enforcement

- a. Failure to comply with any provision of this Ordinance may constitute a violation. The City would have the sole discretion to suspend the Short-Term Rental permit of any property being used for short-term rental with one or more violations.

- b. Any person who violates any provision of this Ordinance will be subject to administrative fines and penalties pursuant to DCMC Chapter 8.16.
- c. A property that has been issued three violations between the date the Short-Term Rental permit was issued and the next renewal period would become automatically ineligible for renewal at the next renewal period and must wait until the next following renewal period to re-apply.
- d. The City may pursue any other administrative or judicial legal remedies available, including, but not limited to, civil injunctions, license revocations, and civil penalties for violations of this ordinance.

## 6. Amnesty Period

- a. Short-term rentals operating on or before the enactment of this Ordinance will be considered existing, unpermitted uses.
- b. An amnesty period ending on September 30, 2020 after the effective date of this Ordinance will be provided to allow these existing, unpermitted uses to be legalized by conforming to the requirements of the Ordinance, including compliance with operating standards, registration, and recordkeeping obligations.
- c. Existing short-term rental uses that do not conform to the requirements of this Chapter on or before September 30, 2020 after the effective date of this Ordinance must cease operation and will be prohibited from resuming operation unless and until the use conforms to the requirements of this Ordinance.

## 7. Properties within Coastal Zone

- a. For properties within the Coastal Zone, this Ordinance will not become effective until the California Coastal Commission certifies an amendment to the City's local coastal program pursuant to Section 30514 of the California Public Resources Code.

## QUESTIONS

For any questions regarding Short-Term Rental Permits, please contact the Planning Division at 650-991-8033 or visit the Planning Counter open Monday through Friday (excluding holidays) from 8:00am to 5:00pm.

For any questions regarding Business Licenses related to short-term rentals, please contact the Finance Department at 650-991-8088 or visit the Business License Counter open Monday through Friday (excluding holidays) from 8:30am to 3:30pm.

***More information is available at the following website:  
[www.dalycity.org/strregs](http://www.dalycity.org/strregs)***