



Department of Development Services

Tim Snellings, Director
Pete Calarco, Assistant Director

7 County Center Drive
Oroville, California 95965

T: 530.552.3700
F: 530.538.7785

buttecounty.net/dds

Butte County Planning Commission
AGENDA REPORT
Draft Short-Term Rental Ordinance Review

Date: August 9, 2018
To: Butte County Planning Commission
From: Dan Breedon, AICP, Principal Planner
Subject: **County Initiated Amendment to Butte County Code Chapter 24, Zoning Ordinance Draft Short-Term Rental Ordinance Review (Planning Commission Workshop)**

I. RECOMMENDATION

Conduct the public workshop and provide direction to staff regarding the Draft Short-Term Rental Ordinance. Also direct staff to amend Section 24-172 (Second Units and Accessory Dwelling Units) to allow Short-Term Rentals in Second Units.

II. BACKGROUND

This public workshop was continued open from May 10, 2018. Staff has prepared a Second Draft Short-Term Rental Ordinance for the Planning Commission's consideration.

On February 12, 2018, the Board of Supervisors directed Development Services Staff to prepare a Draft Short-Term Rental (STR) Ordinance to address short-term rentals in the Zoning Ordinance, and to ensure that short-term rentals would not create nuisances or disturbances in neighborhoods and residential zones. The purpose of this Planning Commission meeting is to provide an opportunity to receive questions and comment from Planning Commissioners and the public. Direction received from the Planning Commission during this meeting will be incorporated into the Draft STR Ordinance for consideration at a future public hearing.

A short-term rental as defined under this Draft Ordinance is a single-family dwelling, or a portion of a single-family dwelling, rented out to transient guest occupants for periods of 30 days or less. The Draft STR Ordinance proposes an administrative permit process with performance criteria for the approval of short-term rentals. The purpose of the Draft STR Ordinance is to ensure that:

- 1) Short-term rentals are compatible with and do not adversely impact surrounding residential uses,
- 2) Property owners have the option to utilize their properties for short term rental use,
- 3) Risks to public safety and health to occupants and owners are minimized,
- 4) Property values are maintained,
- 5) Visitation and tourism to Butte County is supported, and,
- 6) Transient occupancy tax is collected in order to provide fair and equitable tax collection for all lodging providers

The online hospitality marketplace, enabled through Airbnb, VRBO, HomeAway and similar companies, has grown in popularity throughout California and the United States. Short-term rentals provide a way for homeowners to generate additional income, but they can also introduce a new use that can have negative impacts on residential neighborhoods and the health and safety of occupants and owners.

While these companies enable an online transaction to rent rooms and homes between owners and guests, they often do not require the owner to demonstrate compliance with local zoning laws. Airbnb, for instance, discloses on their website that it is important for the owner to understand the local laws and regulations in their own jurisdiction related to zoning, business licenses, building codes, special permits, taxes, and other rules. However, Airbnb and other similar companies do not facilitate or require compliance with local zoning laws and other regulations.

Owners may enter into online agreements for short-term rentals without reviewing or complying with local zoning laws and regulations. This can result in unanticipated impacts to existing residential neighborhoods, health and safety risks to occupants, a loss of transient occupancy tax (TOT) revenue to the local jurisdiction, and zoning violations.

According to a business that monitors these activities, unincorporated Butte County has 135 short-term rentals advertising on a variety of websites (October 2017). A simple review of just one online hospitality business shows over 300+ rentals in the Butte County area (including incorporated cities). Based upon County records, these short-term rentals do not have a permit to operate under the Zoning Ordinance. The County Zoning Ordinance does not currently allow the use of residences for short-term rentals.

The Butte County Department of Development Services has received a few complaints regarding short-term rentals operating in neighborhoods. While there are only a few complaints at this time, these few complaints have been persistent and ongoing issues resulting in disruptions to neighborhood quality of life, and confusion on the part of operators about how to comply. The Draft STR Ordinance will provide clarity to neighbors and operators, resulting in mutually understood regulations and standards.

While outside of the jurisdiction of Butte County, a code enforcement effort in the City of Chico resulted in the City's loss in a court case due to the lack of an appropriate City ordinance to support a citation of a short-term rental. The proposed Draft STR Ordinance will help to support the County's efforts to enforce reasonable regulations that maintain neighborhood compatibility. This, combined with evidence that there are approximately 135 advertised short-term rentals in the unincorporated portion of Butte County, is the reasoning behind the preparation of the Draft STR ordinance.

Outreach concerning the Draft STR Ordinance has been provided to the Chico, Gridley, Oroville and Paradise Chambers of Commerce, as well as to the Cities of Biggs, Chico, Gridley, Oroville, and Town of Paradise. Additionally, staff sent out email notices through the Development Services Constant Contact lists to a variety of groups and members of the public. The Draft Short-Term Rental Ordinance is available to the public and is posted on the following County webpage (as of August 2, 2018):

<http://www.buttecounty.net/dds/Planning/NotableProjects/ShortTermRentals.aspx>

California Environmental Quality Act (CEQA)

While no CEQA review is required for this public workshop, CEQA compliance is required at the time of ordinance adoption. Short-term rentals are found not to constitute a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378, and is exempt from CEQA pursuant to State CEQA Guidelines Section 15061 (b)(3) (general rule) and 15301 "Existing Facilities" (Class 10). Staff will therefore be filing a Categorical and General Rule Exemption at the time of project adoption.

II. REVISED DRAFT SHORT-TERM RENTAL ORDINANCE

The attached Second Draft of the Short Term Rental Ordinance responds to the issues brought up, discussed, and directed under the last Planning Commission Public Workshop. Summary notes from the last Public Workshop are provided as an attachment to this Agenda Report. The following summarizes the major changes provided under the Second Draft:

1. **Hosted and Un-Hosted Stays.** The Second Draft provides greater distinction concerning hosted and non-hosted STRs, limiting non-hosted STRs to 90 overnight stays per year, with hosted stays having no limitation in the number of overnight stays. STRs are also required to be the operator’s primary residence. The terms “primary residence”, “host”, “hosted stay”, and “un-hosted stay” are now defined in the Second Draft.
2. **Primary Residence.** Members of the public and the Planning Commission voiced concern about having a STR in a dwelling that is not the owner’s primary residence. Both hosted and non-hosted stays are now required to be the owner’s primary residence. The Second Draft also clarifies short-term rentals are not allowed in a dwelling that is not a primary residence. This avoids the possibility of professional short-term rentals operating in neighborhoods that do not have a resident owner.
3. **Accessory and Second Dwelling Units.** The Second Draft strikes a compromise in allowing second dwellings to be used as STRs, but not allowing Accessory Dwelling Units to be used as STR’s, to ensure these units are utilized for long-term housing as intended under State law. The Second Draft allows up to two STRs (a primary dwelling and second dwelling) on a single parcel, if one of the dwellings is owner-occupied.
4. **TBID (Tourism Business Improvement District) Tax.** The second Draft removes the reference to the TBID tax, since that tax cannot be collected from areas in the County zoned for residential uses. The appropriate Transient Occupancy (TOT) tax, applicable to all lodging in the County, would still apply.
5. **Agriculture Zones.** The Second Draft includes a provision for the disclosure of inconveniences due to Agricultural activities taking place in Agriculture zones, as per the Planning Commission’s recommendation to consult with the Farm Bureau regarding this issue. The Farm Bureau did not provide any official stance concerning STRs, but their staff recommended the use of a disclosure about inconveniences related to agricultural operations if STR’s are permitted in Agriculture zones. Development Services is also recommending the allowance of STR’s in TM (Timber Mountain) Zones.
6. **Outdoor Amplified Music.** Based upon input from members of the public, an allowance now provides for outdoor amplified sound during non-quiet hours. STR operators indicated that this potential amenity, such as a poolside sound system, could be allowed as long as it was maintained at an appropriate volume. The Butte County Noise Control Ordinance provides an enforcement mechanism in the event outdoor amplified music disturbs surrounding neighbors.
7. **Property Management and Complaints.** The Second Draft includes more direction concerning how property managers address complaints from neighbors. Complaints about

potential violations will be directed via text or email to the host/property manager with a copy being provided to the Department of Development Services. If the host/property manager corrects a violation upon request within 30 minutes, the violation shall not be counted as a strike under the three strikes revocation rule. The host/property manager shall document the correction to the complainant, with a text or email copy provided to the Department of Development Services. If the host/property manager is unavailable or fails to correct a potential violation, the violation shall be counted as a strike as discussed in the enforcement section.

III. DRAFT SHORT-TERM RENTAL ORDINANCE OVERVIEW

The Draft Short-Term Rental Ordinance contains the following major sections and subsections:

- A. Purpose
- B. Definitions
- C. Applicability
- D. Administrative Permit Process
- E. Administrative Permit Renewal Process
- F. No Property Rights Conferred
- G. Short-Term Rental Restrictions
- H. Transient Occupancy Taxes
- I. Standards
 - 1. Second and Accessory Dwelling Units
 - 2. Appearance, Visibility, and Signage
 - 3. Commercial Activity Prohibited
 - 4. Building, Fire, and Health Standards
 - 5. Trash and Recycling
 - 6. Noise Standards
 - 7. Occupancy and Parking
 - 8. Daytime Visitors
 - 9. No Overnight Camping
 - 10. Property Management
- J. Enforcement Process

Administrative Permit Process

Staff recommends an administrative permit as the appropriate permit process for short-term rentals. An administrative permit is required for uses permitted as-of-right yet subject to specific Zoning Ordinance standards. The Administrative Permit is a ministerial procedure to verify that a proposed use complies with all applicable standards, and to ensure that the applicant understands and accepts those standards. The standards would ensure that short-term rentals operate in a safe

and responsible manner and without being incompatible with residential neighbors and the surrounding community. Under the Draft STR Ordinance, the administrative permit is renewed each year to ensure that short-term rentals are abiding by all permit requirements, are not presenting a nuisance to the surrounding neighborhood, are being operated under the same ownership, and are current on all Transient Occupancy Taxes.

Standards

The permit standards as set-forth under the Draft STR Ordinance are intended to ensure that short-term rental operations remain harmonious and compatible with the surrounding neighborhood, that occupancy, parking, and other requirements are adequate for the proposed use, and that the public's health and safety is upheld. Occupancy limitations are based upon whether the STR is served with a public sewer connection or an on-site septic system to ensure that on-site systems do not exceed their capabilities, as well as the approved number of bedrooms.

The standards also set-forth requirements for property management, including a local property manager who will be available to respond to complaints and ensure that renters are abiding by the permit standards. The Department of Development Services does not provide after-hours code enforcement. The provision of a local property manager will ensure the handling of complaints in an efficient and responsive manner.

The standards also require that the terms of the administrative permit will be located on all Internet postings and other advertising. Further, upon issuance of the administrative permit the same terms will be mailed to property owners within 300 ft. of the property. This mailing will include the name, text-enabled phone number, and email of the property manager.

Enforcement Process

Three verifiable administrative citations, violations, or hearing officer determinations concerning the permit requirements issued to the owner or occupants at the property within a 24-month period will result in permit revocation. Under this circumstance, an administrative permit for a short-term rental could not be reestablished for a period of 24 months.

Any property determined to be advertised for use as a short-term rental without the administrative permit would be subject to a permit fee penalty of ten times the regular application fee. This provision is to encourage compliance and equal treatment of all operators.

Applicable Zoning Districts

Under the Second Draft, short-term rentals would be allowed, with an administrative permit, in the MHDR (Medium High Density Residential), MDR (Medium Density Residential), LDR (Low Density Residential), VLDR (Very Low Density Residential), RR (Rural Residential), RCR (Rural Country Residential), FR (Foothill Residential), FCR (Foothill Country Residential) and MU-1 and MU-1 (Mixed Use), AG (Agriculture), and TM (Timber Mountain) zones. Use tables as contained in the Zoning Ordinance shall be amended indicate that STR's are permitted with an administrative permit.

Staff recommends that the VLDCR (Very Low Density Country Residential) zone not allow short-term rentals as this zone does not allow Bed and Breakfasts, a similar use. The VLDCR zone, implemented in existing neighborhoods in the Chico area, relied upon community input and desires during the General Plan and Zoning Ordinance update process.

Staff recommends that the HDR (High Density Residential) and VHDR (Very High Density Residential) zones also not allow short-term rentals as these zones are used to provide long-term housing that is affordable to low income groups in accordance with the Butte County Housing Element. In these zones, short-term rentals would displace housing for low-income individuals and would be contrary to Housing Element Policy.

One member of the public previously commented to Development Services concerning short-term rentals in areas subject to fire hazard, such as the foothills and mountain communities. It was suggested that short-term rentals not be allowed in these areas due to life safety issues. The Second Draft Ordinance currently does not prohibit STRs in areas subject to fire hazards. However, the Second Draft does include a requirement to provide community evacuation information to all renters and that this information be posted inside the STR.

Accessory and Second Dwelling Units

The Zoning Ordinance, under Section 24-172, allows Accessory Dwelling Units (units 1,200 sq.ft. or less in size) or Second Dwelling Units (units larger than 1,200 sq.ft. in size) in all residential zones and the Agriculture zone. However, this section indicates that the primary dwelling unit and accessory/second dwelling unit cannot be used for short-term rentals (this restriction does not apply to additional dwellings that are not permitted under Section 24-172).

This restriction is in recognition of the intent of accessory/second dwelling units to provide affordable housing options for long-term housing. The use of accessory/second dwelling units for short-term rentals would displace the availability of these housing units for affordable and long-term housing. The California legislature has found and declared that allowing accessory/second dwelling units in single family and multifamily zones provides additional rental housing and is an essential component in addressing the housing needs of California.

While the State of California indicates that local governments can restrict accessory/second dwelling units from being used as short-term rentals, it is not a requirement under State law. In order to address this issue, the Second Draft allows second units to be permitted as STR's, but does not allow Accessory Dwelling Units to be permitted as STRs. This provision should be allowed only if one of the permitted units is owner-occupied. Amendment of Section 24-172 of the Zoning Ordinance would be necessary to reflect that second units may be used for STRs.

Multiple Short-Term Rentals on a Single Parcel

In some cases, a property owner may wish to have two (or more) short-term rentals on the same property, whereby a primary residence or a portion of a primary residence (e.g. bedroom) is rented out as a short-term rental and another residence or residences (potentially an accessory/second unit) on the same property are rented out as a short-term rental. The Second Draft now allows a primary dwelling and a second unit to be used as STRs provided one of the units is owner-occupied as discussed above. The Second Draft does not allow more than two STR's on a single parcel under this provision.

IV. NEXT STEPS

Upon receiving direction from the Planning Commission, Development Services staff will tentatively schedule a public hearing before the Planning Commission on September 13, 2018. After the public hearing process at the Planning Commission, a public hearing will be scheduled before the Board of Supervisors.

Attachments:

- A. Draft Short-Term Rental Ordinance
 - Finalized and Edited Versions
- B. May 10, 2018 Planning Commission Summary Notes

DRAFT BUTTE COUNTY SHORT-TERM RENTAL ORDINANCE (August 1, 2018)

- A. Purpose.** This section establishes a definition, permit process, rental term, site requirements, standards, and permit revocation requirements for short-term rentals to ensure that, 1) short-term rentals are compatible with and do not adversely impact surrounding residential uses, 2) property owners have the option to utilize their properties for short-term rental use, 3) risks to public safety and health to occupants and owners are minimized, 4) property values are maintained; 5) visitation and tourism to Butte County is supported, and, 6) transient occupancy tax is collected in order to provide fair and equitable tax collection for all lodging providers.
- B. Definitions.**
1. **Short-Term Rental.** A single-family dwelling, or a portion of a single-family dwelling, that is rented to transient guest occupants typically for periods of 30 days or less, with weekend or weekly rental periods being the most common. Short-term rentals are routinely booked for numerous periods throughout the year, with a property manager providing oversight and services for guest customers.
 2. **Primary Residence.** An owner's permanent residence or usual place of return for housing as documented by at least two forms of identification.
 3. **Host.** A person who rents their primary residence for short-term rentals under this section.
 4. **Hosted Stay.** A primary residence where a resident remains on-site during the short-term rental guest's stay (except during daytime and/or work hours).
 5. **Un-Hosted Stay.** A primary residence where the resident remains off-site during the short-term rental guest's stay.
- C. Applicability.**
1. This section applies to short-term rentals in a single-family dwelling that is a primary residence. This section does not allow short-term rentals in a single-family residence that is not the owner's permanent residence.
 2. This section does not apply to the use of single-family dwellings when not occupied as a short-term rental.
 3. Development Services shall rely upon occupancy records and other sources of information for the short-term rental in determining all potential code enforcement violations.
- D. Administrative Permit Process.** Short-term rentals are subject to an administrative permit, pursuant to Butte County Code Chapter 24, Article 29, and shall be allowed as provided by the applicable zone (refer to the Use Regulation Tables for each zone to determine if short-term rentals are allowed), subject to the requirements of this section. The administrative permit application shall include all information necessary to determine compliance with this section. The application process shall be subject to a fee in accordance with the latest fee schedule approved by the Board of Supervisors.
- E. Administrative Permit Renewal Process.** The administrative permit shall be renewed annually, based upon the anniversary date of permit issuance. The renewal process shall be subject to a fee in accordance with the latest fee schedule approved by the Board of Supervisors. The Department of Development Services shall issue a renewed administrative permit upon making the following findings:

1. No more than two citations have been issued for violations of this section during the last 24-month period;
 2. The short-term rental has not been transferred to another person, entity, or landowner;
 3. The short-term rental complies with the approved administrative permit and all applicable Butte County Codes and Standards; and,
 4. The short-term rental property is current on transient occupancy taxes and has paid all said taxes to the Butte County Treasurer-Tax Collector by the required due date.
- F. No property rights conferred.** Short-term rental administrative permits do not provide a vested interest, or entitlement in the continued operation of a short-term rental upon a change of property ownership. Short-term rental permits are revocable permits and shall not run with the land notwithstanding Butte County Code Section 24-250. Property owners must notify the Butte County Department of Development Services and the Central Collections Division of the Treasurer-Tax Collector’s Department upon change of ownership. Continued operation of a short-term rental upon change of ownership will result in a violation of this section.
- G. Short-Term Rental Restrictions.**
1. Short-term rentals are only allowed in a single-family dwelling that is a primary residence. Short-term rentals are also allowed in approved second units, as defined and permitted under Butte County Code Section 24-172, provided the owner of a parcel developed with the second unit resides in either the primary dwelling or second unit.
 2. Short-term rentals are not allowed in a single-family dwelling that is not a primary residence, structures not intended for residential occupancy under the current California Building Code Standards, in farmworker housing, or on property subject to a Williamson Act contract.
- H. Transient Occupancy Taxes.** Butte County Code Section 23-A authorizes the levy of a Transient Occupancy Tax for overnight stays at all lodging facilities. Short-term rental proprietors must complete a Transient Occupancy Tax Questionnaire and submit it to the Central Collections Division of the Treasurer-Tax Collector’s Department within ten days of commencing business.
- I. Standards.** Short-term rentals are subject to the following operation and development standards at all times. On-site inspections by Butte County or a verifiable self-certification process shall be required to ensure compliance with all permit standards. By accepting an administrative permit, the owner agrees to allow on-site inspections by the County at reasonable times.
1. **Second and Accessory Dwelling Units.** Both a single-family dwelling that is a primary residence and a second unit on the same property may be permitted as a short-term rental. Accessory Dwelling Units as defined and permitted under Butte County Code Section 24-172 shall not be permitted for use as short-term rentals. The administrative permit shall identify each of the units permitted as short-term rentals.
 2. **Appearance, Visibility, and Signage.** No alteration shall be made that would identify a dwelling as a short-term rental, and that would not preserve and protect the residential character of the dwelling or existing neighborhood. No signage pertaining to a short-term rental is allowed excepting as required below under Sub-Section H (10) (b) - Posting of Permit Standards.

3. **Commercial Activity Prohibited.** Commercial activities and special events, including but not limited to, weddings, receptions, and parties are prohibited. All occupants of the short-term rental shall be notified of the prohibition against commercial activities prior to the reservation, rental, or lease, and said prohibition shall be a part of any rental or lease agreement.
4. **Building, Fire, and Health Standards.** Short-term rentals are subject to the following development standards:
 - a. Meet the current California Building Code Standards for the intended occupancy to the satisfaction of the Butte County Department of Development Services.
 - b. Provision of potable domestic water supply, including bacteriological test results and verification of availability of adequate quantity of potable water, if an onsite well provides the domestic water supply.
 - c. On-site septic system or sewer connection necessary to accommodate the short-term rental to the satisfaction of the Butte County Public Health Department.
 - d. Fire extinguishers, smoke detectors, carbon monoxide detectors, maintained in working order, and information related to all emergency exits shall be provided inside of the short-term rental.
5. **Trash and Recycling.** Trash and recycling receptacles shall be stored out of public view and serviced on a weekly basis. After pick-up, receptacles shall be returned to storage areas within 8 hours.
6. **Noise Standards.** It is the goal of this section to preserve the quality of life and character of existing residential neighborhoods in Butte County. In accordance with the Noise Control Ordinance, Butte County Code Chapter 41A, excessive, unnecessary or offensive noise within the County is detrimental to the public health, safety, welfare and peace and quiet of the inhabitants of the County and therefore is considered a nuisance. Accordingly, noise levels at all short-term rentals shall comply with Butte County Code Chapter 41A. Noise Control, Section 41A-7 Exterior Noise Standards and Section 41A-8 Interior Noise Standards. In addition to compliance with the Noise Control Ordinance, all short-term rentals shall comply with the following requirements:
 - a. Property managers shall insure that the occupants of the short-term rental understand that loud or unreasonable noise that disturbs others and that is not in keeping with the character of the surrounding neighborhood will result in a violation of this section.
 - b. Property managers shall immediately respond to all complaints concerning noise levels at all times. Failure to respond to all verifiable complaints will result in the issuance of a citation.
 - c. Quiet hours shall be observed between 10:00 pm and 7:00 am, Monday through Friday, and 10:00 pm and 9:00 am on Saturdays, Sundays, and holidays.
 - d. Outdoor amplified sound is prohibited during quiet hours. Outdoor amplified sound is allowed during non-quiet hours but shall be kept at a volume that complies with the Noise Control Ordinance.

- e. All occupants of the short-term rental shall be notified of the noise standards as set forth under this section and said standards shall be a part of any rental or lease agreement.
7. **Occupancy and Parking.** Occupancy and parking requirements shall be specified on the administrative permit application. Table 1 and Table 2 below provide maximum occupancy and parking requirements depending upon whether the rental is served with public sewer or an on-site septic system. Additional standards for occupancy and parking are provided as follows:
- a. **Size.** Depending on the configuration of the building and the adequacy of the potable water and on-site septic systems, short-term rentals are limited to a maximum of five rented bedrooms. Each bedroom shall provide not less than 70 square feet of floor area for the first two occupants. The total floor area requirements per bedroom shall increase at a rate of 50 square feet for each occupant in excess of two.
 - b. **Maximum Annual Nights for Un-Hosted Stays.** Un-hosted short-term rental stays shall not exceed 90 nights per calendar year.
 - c. **On-Site Residents.** The number of on-site residents shall be subtracted from the allowed maximum occupancies shown under Table 1 and Table 2.
 - d. **Septic Systems.** The number of overnight guests for rentals served by on-site septic systems shall be based on two guests per approved bedroom, whether or not the guests sleep in a bedroom, or if more than two guests sleep in a bedroom. An approved bedroom is one recognized as such by the Butte County Public Health Department at the time the on-site septic system was legally constructed.
 - e. **Maximum Occupancy.**
 - 1. **Public Sewer.** Short-term rentals served with public sewer shall not exceed 14 overnight guests, excluding children under 3-years of age, provided the rental meets the bedroom number standards as per Table 1 below.
 - 2. **On-Site Septic System.** Short-term rentals served by an on-site septic system shall not exceed 10 overnight guests, excluding children under 3-years of age, provided the rental meets the bedroom number standards as per Table 2 below.
 - f. **Parking.** On-site tandem parking may be permitted if parallel parking cannot be accommodated on-site. Dimensions for parking stalls shall be in accordance with Section 24-295, Parking Design Standards. Parking spaces shall be clearly delineated on the site plan accompanying the application.
 - g. **Notification.** The property owner shall ensure that all contracts, online listings, and advertisements clearly set forth the maximum number of overnight guests permitted at the property, and the maximum number on-site parking spaces. All occupants of the short-term rental shall be notified of these occupancy and parking standards and said standards shall be a part of any rental or lease agreement.

Table 1. Maximum Occupancy and Parking Requirements Rentals with Public Sewer		
Number of Bedrooms	Maximum Occupancy	On-Site Parking
1	4	1
2	8	2
3	10	3
4	12	4
5 or more	14	5

Table 2. Maximum Occupancy and Parking Requirements Rentals with On-Site Septic Systems		
Number of Bedrooms	Maximum Occupancy	On-Site Parking
1	2	1
2	4	2
3	6	3
4	8	4
5 or more	10	5

8. **Daytime Visitors.** For each allowed overnight occupant permitted under this section, one daytime visitor is allowed, up to a maximum of ten daytime visitors. Additional on-site parking for all daytime visitors' vehicles, in addition to overnight occupants, must be provided at a rate of one on-site parking space per two daytime visitors.
9. **No Overnight Camping.** A short-term rental administrative permit does not authorize any overnight camping, sleeping in tents, travel trailers, campers, or recreational vehicles. Recreational vehicles are permitted if they are the primary transportation for the renter or visitor, but they may not be used for overnight accommodations during the stay.

10. **Property Management.** The short-term rental shall be managed and supervised in accordance with the following requirements and responsibilities:
- a. **Property Manager.** Short-term rentals must have a local property manager who is available 24-hours per day, seven days per week during all times that the property is rented. For hosted stays, the resident host shall be the property manager. For un-hosted stays, the property manager may be the owner or a designee of the owner. The property manager must ensure compliance with all requirements set forth in this section, including the timely response (within 30 minutes) to all complaints and their resolution. The name and contact information (address, text-enabled phone number, and email) of the property manager shall be provided on the permit application, posted inside the short-term rental and be available to any interested party upon request. Property managers shall provide Development Services with current contact information for identification on the Department of Development Services Short-Term Rentals website.
 - b. **Posting of Permit Standards.** A copy of the short-term rental permit listing all applicable standards and limits, including the name, text-enabled phone number, and email of the property manager, shall be posted inside the rental property in a prominent interior location within six feet of the front door. The applicable prohibitions, standards, and limits on occupancy shall be included.
 - c. **Disaster Preparedness.** Property managers shall make community evacuation information and maps for the community where the short-term rental is located as provided by the Butte County Office of Emergency Management available to all guest customers. Applicable community evacuation information and maps shall be posted in a prominent interior location within six feet of the front door.
 - d. **Short-Term Rentals in AG (Agriculture) Zones.** Inconveniences from on-site or adjacent agricultural uses and operations may include noise, dust, vibration, nighttime operations, light and glare, slow moving farm equipment, and odor. Disclosure concerning the allowance of agricultural uses and operations, and the potential for short-term renters to experience inconveniences, shall be a part of all rental agreements and posted along with the permit standards in a prominent interior location within six feet of the front door.
 - e. **Neighbor Notification of Administrative Permit Standards.** At the permit holder's expense, the Butte County Department of Development Services shall provide a mailed notice at the time of permit issuance to property owners within 300 feet of the subject parcel. The notice shall include all applicable standards and limitations placed upon the short-term rental, the Butte County administrative permit number, as well as the name, text-enabled phone number, and email of the property manager.
 - f. **Internet Posting and other Listings.** All advertising, marketing, online hospitality services, or other types of listing for the short-term rental shall include the following information in accordance with the approved Administrative Permit:
 - 1. Maximum occupancy of rental, not including children under 3 years of age;

2. Maximum number of off-street vehicle parking spaces located on the property;
3. Notification that quiet hours shall be observed between 10:00 pm and 7:00 am, Monday through Friday, and 10:00 pm and 9:00 am on Saturdays, Sundays, and holidays;
4. Notification that outdoor amplified sound is only allowed during specified non-quiet hours, and is subject to the Butte County Noise Control Ordinance;
5. Notification that commercial activities and special events, including but not limited to weddings, receptions, and parties are prohibited; and,
6. The issued Butte County administrative permit number and the transient occupancy tax certificate number.

J. Enforcement Process. This section contains its own enforcement process as set forth below. However, this process does not preclude other means of enforcement. Enforcement of this section may be in accordance with Butte County Code Section 24-5 (F), Enforcement, which may include, but not be limited to, the procedures as established in Butte County Code Section 1-7 (General Penalty, Continuing Violations), Chapter 32A (Abatement of Public Nuisances) and 41 (Code Enforcement Policies and Procedures), as well as any other procedures available in State or federal law. In no case shall the issuance of a courtesy notice or a warning notice pursuant to Section 41-2 be required for a code enforcement officer to issue a citation pursuant to this Section.

1. **Three Strikes Revocation Rule.** Three verifiable administrative citations, violations, or hearing officer determinations concerning the permit requirements issued to the owner or occupants at the property within a 24-month period shall result in a notice to cease and desist operations and permit revocation. Revocation is subject to prior notice and to appeal, if requested within ten days. In the event of permit revocation, an application to reestablish a short-term rental after revocation shall not be accepted for a minimum period of 24 months.
2. **Complaints.** Complaints shall be sent by text message. Complaints about potential violations shall be directed to the host/property manager with a copy to the Department of Development Services. If the host/property manager corrects a violation upon request within 30 minutes, the violation shall not be counted as a strike under the three strikes revocation rule under this section. The host/property manager shall document the correction to the complainant, with a text or email copy provided to the Department of Development Services. If the host/property manager is unavailable or fails to correct a potential violation, the violation shall be counted as a strike. The Department of Development Services shall send notice of the strike to the host/property manager and gives the host/property manager the opportunity to respond. The Department of Development Services shall evaluate any response and communicates its determination to the host/property manager. When three strikes have been documented, the Department of Development Services shall schedule a revocation hearing to be heard by the Zoning Administrator.
3. **Increased Permit Fee Penalty for Non-Compliance.** Any property that is determined to be advertised for use as a short-term rental without first obtaining the necessary administrative permit required under this section shall be issued a citation and a notice to cease and desist. A permit fee penalty of ten times the regular application fee shall be applied to said property for future short-term rental administrative permit applications.

DRAFT BUTTE COUNTY SHORT-TERM RENTAL ORDINANCE (August 1, 2018)

A. Purpose. This section establishes a definition, permit process, rental term, site requirements, standards, and permit revocation requirements for short-term rentals to ensure that, 1) short-term rentals are compatible with and do not adversely impact surrounding residential uses, 2) property owners have the option to utilize their properties for short-term rental use, 3) risks to public safety and health to occupants and owners are minimized, 4) property values are maintained; 5) visitation and tourism to Butte County is supported, and, 6) transient occupancy tax is collected in order to provide fair and equitable tax collection for all lodging providers.

B. Definitions.

1. **Short-Term Rental.** A single-family dwelling, or a portion of a single-family dwelling, that is rented to transient guest occupants typically for periods of 30 days or less, with weekend or weekly rental periods being the most common. Short-term rentals are routinely booked for numerous periods throughout the year, with a ~~resident or non-resident~~ property manager providing oversight and services for guest customers.

2. **Primary Residence.** An owner's permanent residence or usual place of return for housing as documented by at least two forms of identification.

3. **Host.** A person who rents their primary residence for short-term rentals under this section.

4. **Hosted Stay.** A primary residence where a resident remains on-site during the short-term rental guest's stay (except during daytime and/or work hours).

5. **Un-Hosted Stay.** A primary residence where the resident remains off-site during the short-term rental guest's stay.

~~1.—~~

C. Applicability.

1. This section applies to short-term rentals in a single family dwelling that is a primary residence. This section does not allow short-term rentals in a single-family residence that is not the owner's permanent residence.

2. This section does not apply to the use of single-family dwellings when not occupied as a short-term rental.

3. Development Services shall rely upon occupancy records and other sources of information for the short-term rental in determining all potential code enforcement violations.

~~C.D.~~ **Administrative Permit Process.** Short-term rentals are subject to an administrative permit, pursuant to Butte County Code Chapter 24, Article 29, and shall be allowed as provided by the applicable zone (refer to the Use Regulation Tables for each zone to determine if short-term rentals are allowed), subject to the requirements of this section. ~~A short-term rental.~~ The administrative permit application shall include all information necessary to determine compliance with this ~~chapter~~ section. The application process shall be subject to a fee in accordance with the latest fee schedule approved by the Board of Supervisors.

~~D.E.~~ **Administrative Permit Renewal Process.** The administrative permit shall be renewed annually, based upon the anniversary date of permit issuance. The renewal process shall be subject to a fee in accordance with the latest fee schedule approved by the Board of Supervisors.

The Department of Development Services shall issue a renewed administrative permit upon making the following findings:

1. No more than two citations have been issued for violations of this section during the last 24-month period;
2. The short-term rental has not been transferred to another person, entity, or landowner;
3. The short-term rental complies with the approved ~~A~~administrative ~~P~~permit and all applicable Butte County Codes and Standards; and,
4. The short-term rental property is current on transient occupancy taxes and has paid all said taxes to the Butte County Treasurer-Tax Collector by the required due date.

~~E.F.~~ **No property rights conferred.** Short-term rental administrative permits do not provide a vested interest, or entitlement in the continued operation of a short-term rental upon a change of property ownership. Short-term rental permits are revocable permits and shall not run with the land notwithstanding Butte County Code Section 24-250. Property owners must notify the Butte County Department of Development Services and the Central Collections Division of the Treasurer-Tax Collector's Department upon change of ownership. Continued operation of a short-term rental upon change of ownership will result in a violation of this section. ~~enforcement actions.~~

G. Short-Term Rental Restrictions.

1. ~~Short-term rentals are only not allowed in a single-family single-family dwelling that is a primary residence. They residence. Short-term rentals are also allowed in approved second units, as defined and permitted under Butte County Code Section 24-172, provided the owner of a parcel developed with the second unit resides in either the primary dwelling or second unit.~~
 2. ~~Short-term rentals are not allowed in a single-family single-family dwelling that is not a primary residence, Sstructures not intended for permanent residential occupancy under the current California Building Code Standards, are not permitted for use as short-term rentals. in fFarmworker housing, or on property subject to a Williamson Act contract, are not permitted for use as short-term rentals.~~
- ~~F. A dwelling unit not used as a primary residence but that is rented out for short term use throughout the entire year (e.g., a vacation rental), is not permitted under this chapter.~~

G.H. Transient Occupancy Taxes. Butte County Code Section 23-A authorizes the levy of a Transient Occupancy Tax for overnight stays at all lodging facilities. ~~In addition, a Tourism Business Improvement District includes a tax on lodging.~~ Short-term rental proprietors must complete a Transient Occupancy Tax Questionnaire and submit it to the Central Collections Division of the Treasurer-Tax Collector's Department with in ten days of commencing business.

H.I. Standards. Short-term rentals are subject to the following operation and development standards at all times. On-site inspections by Butte County ~~Department of Development Services staff and/or Public Health staff,~~ or a verifiable self-certification process may shall be required to ensure compliance with all permit standards. By accepting an ~~A~~administrative ~~P~~permit, the owner agrees to allow on-site inspections by the County at reasonable times.

1. **Second and Accessory Dwelling Units**~~Parcel~~. ~~The short-term rental must be located on a legally created parcel. Both a single-family-family dwelling that is a primary residence and a second dwelling unit on the same property—property Only oOne single-family residence and/or one legally established second dwelling unit or accessory dwelling unit may be permitted as a short-term rental.~~ ~~on a single parcel.~~ Accessory Dwelling Units as defined and permitted under Butte County Code Section 24-172 shall not be permitted for use as short-term rentals. The administrative permit shall identify each of the ~~structure~~units permitted as ~~the~~ short-term rentals.
2. **Appearance, Visibility, and Signage.** No alteration shall be made that would identify a dwelling as a short-term rental, and that would not preserve and protect the residential character of the dwelling or existing neighborhood. No signage pertaining to a short-term rental is allowed excepting as required below under Sub-Section H (10) (b) - Posting of Permit Standards.
3. **Commercial Activity Prohibited.** Commercial activities and special events, including but not limited to, weddings, receptions, and ~~large~~ parties are prohibited. All occupants of the short-term rental shall be notified of the prohibition against commercial activities prior to the reservation, rental, or lease, and said prohibition shall be a part of any rental or lease agreement.
4. **Building, Fire, and, Health Standards.** Short-term rentals are subject to the following development standards:
 - a. Meet the current California Building Code Standards for the intended occupancy to the satisfaction of the Butte County Department of Development Services.
 - b. Provision of potable domestic water supply, including bacteriological test results and verification of availability of adequate quantity of potable water, if an onsite well ~~is to be used for a~~ provides the domestic water supply.
 - c. On-site septic system or sewer connection necessary to accommodate the short-term rental to the satisfaction of the Butte County Public Health Department.
 - d. Fire extinguishers, smoke detectors, carbon monoxide detectors, maintained in working order, and information related to all emergency exits shall be provided inside of the short-term rental.
5. **Trash and Recycling.** Trash and recycling receptacles shall be stored out of public view and serviced on a weekly basis. After pick-up, receptacles shall be returned to storage areas within 8-24 hours.
6. **Noise Standards.** It is the goal of this section to preserve the quality of life and character of existing residential neighborhoods in Butte County. In accordance with the Noise Control Ordinance, Butte County Code Chapter 41A, excessive, unnecessary or offensive noise within the County is detrimental to the public health, safety, welfare and peace and quiet of the inhabitants of the County and therefore is considered a nuisance. Accordingly, noise levels at all short-term rentals shall comply with Butte County Code Chapter 41A. Noise Control, Section 41A-7 Exterior Noise Standards and Section 41A-8 Interior Noise Standards. In

addition to compliance with the Noise Control Ordinance, all short-term rentals shall comply with the following requirements:

- a. Property managers shall insure that the occupants of the short-term rental understand that loud or unreasonable noise that disturbs others and that is not in keeping with the character of the surrounding neighborhood will result in a violation of this section.
 - b. Property managers ~~will~~shall immediately respond to all complaints concerning noise levels at all times. Failure to respond to all verifiable complaints will result in the issuance of a citation.
 - c. Quiet hours shall be observed between 10:00 pm and 7:00 am, Monday through Friday, and 10:00 pm and 9:00 am on Saturdays, Sundays, and holidays.
 - d. Outdoor amplified sound is prohibited during quiet hours. Outdoor amplified sound is allowed during non-quiet hours but shall be kept at a volume that complies with the Noise Control Ordinance.
 - e. All occupants of the short-term rental shall be notified of ~~these~~ noise standards as set forth under this section and said standards shall be a part of any rental or lease agreement.
7. **Occupancy and Parking.** Occupancy and parking requirements shall be specified on the administrative permit application. Table 1 and Table 2 below provide maximum occupancy and parking requirements depending upon whether the rental is served with public sewer or an on-site septic system. Additional standards for occupancy and parking are provided as follows:
- a. **Size.** Depending on the configuration of the building and the adequacy of the potable water and on-site septic systems, short-term rentals are limited to a maximum of five rented bedrooms. Each bedroom shall provide not less than 70 square feet of floor area for the first two occupants. The total floor area requirements per bedroom shall increase at a rate of 50 square feet for each occupant in excess of two.
 - ~~a.b.~~ **Maximum Annual Nights for Un-Hosted Stays.** Un-hosted short-term rental stays shall not exceed 90 nights per calendar year.
 - ~~b.c.~~ **On-Site Residents.** The number of on-site residents shall be subtracted from the allowed maximum occupancies shown under Table 1 and Table 2.
 - d. **Septic Systems.** The number of overnight guests for rentals served by on-site septic systems shall be based on two guests per approved bedroom, whether or not the guests sleep in a bedroom, or if more than two guests sleep in a bedroom. An approved bedroom is one recognized as such by the Butte County Public Health Department at the time the on-site septic system was legally constructed. ~~In no case may a short-term rental served by an on-site septic system allow more than 10 overnight guests, excluding children under 3 years of age, provided the rental meets the bedroom number standards as per Table 2 below.~~
 - ~~e.e.~~ **Maximum Occupancy.**
 1. **Public Sewer.** Short-term rentals served with public sewer shall not exceed 14 overnight guests, excluding children under 3-years of age, provided the rental meets the bedroom number standards as per Table 1 below.

d.2. On-Site Septic System. Short-term rentals served by an on-site septic system shall not exceed 10 overnight guests, excluding children under 3-years of age, provided the rental meets the bedroom number standards as per Table 2 below. A minor use permit is required to exceed the maximum occupancy standards.

e.f. Parking. ~~Tandem-On-site tandem~~ parking may be permitted if parallel parking cannot be accommodated on-site. Dimensions for parking stalls shall be in accordance with Section 24-295, Parking Design Standards. Parking spaces shall be clearly delineated on the site plan accompanying the application.

f.g. Notification. The property owner shall ensure that all contracts, online listings, and advertisements clearly set forth the maximum number of overnight guests permitted at the property, and the maximum number on-site off-street parking spaces. All occupants of the short-term rental shall be notified of these occupancy and parking standards and said standards shall be a part of any rental or lease agreement.

Table 1. Maximum Occupancy and Parking Requirements Rentals with Public Sewer		
Number of Bedrooms	Maximum Occupancy	Off-Street On-Site Parking
1	4	1
2	8	2
3	10	3
4	12	4
5 or more	14	5

Table 2. Maximum Occupancy and Parking Requirements Rentals with On-Site Septic Systems		
Number of Bedrooms	Maximum Occupancy	Off-Street On-Site Parking
1	2	1
2	4	2 1
3	6	3 2
4	8	4 2
5 or more	10	5 3

8. **Daytime Visitors.** For each allowed overnight occupant permitted under this section, one daytime visitor is allowed, up to a maximum of ten ~~guests~~daytime visitors. Additional ~~off-~~

~~street-on-site~~ parking for all daytime visitors' vehicles, in addition to overnight occupants, must be provided at a rate of one ~~off-street~~on-site parking space per two daytime visitors.

9. **No Overnight Camping.** A short-term rental administrative permit does not authorize any overnight camping, sleeping in tents, travel trailers, campers, or recreational vehicles. Recreational vehicles are permitted if they are the primary transportation for the renter or visitor, but they may not be used for overnight accommodations during the stay.

10. **Property Management.** The short-term rental shall be managed and supervised in accordance with the following requirements and responsibilities:

a. **Property Manager.** Short-term rentals must have a local property manager who is available 24-hours per day, seven days per week during all times that the property is rented. For hosted stays, the resident host shall be the property manager. For un-hosted stays, the property manager may be the owner or a designee of the owner. The property manager must ensure compliance with all requirements set forth in this section, including the timely response (within 30 minutes) to all complaints and their resolution. The name and contact information (address, text-enabled phone number, and email) of the property manager shall be provided on the permit application, posted inside the short-term rental and be available to any interested party upon request. Property managers shall provide Development Services with current contact information for identification on the Department of Development Services Short-Term Rentals website.

b. **Posting of Permit Standards.** A copy of the short-term rental permit listing all applicable standards and limits, including the name, text-enabled phone number, and email of the property manager, shall be posted inside the rental property in a prominent interior location place within six feet of the front door. The applicable prohibitions, standards, and limits on occupancy shall be a part of all rental agreements included.

c. **Disaster Preparedness.** Property managers shall make ~~available~~ community evacuation information and maps for the community where the short-term rental is located as provided by the Butte County Office of Emergency Management available to all guest customers. Applicable community evacuation information and maps shall be posted in a prominent interior location within six feet of the front door.

~~c.d.~~ **Short-Term Rentals in AG (Agriculture) Zones.** Inconveniences from on-site or adjacent agricultural uses and operations may include noise, dust, vibration, nighttime operations, light and glare, slow moving farm equipment, and odor. Disclosure concerning the allowance of agricultural uses and operations, and the potential for short-term renters to experience inconveniences, shall be a part of all rental agreements and posted along with the permit standards in a prominent interior location within six feet of the front door.

~~d.e.~~ **Neighbor Notification of Administrative Permit Standards.** At the permit holder's expense, the Butte County Department of Development Services shall provide a mailed notice at the time of permit issuance to property owners within 300 feet of the subject parcel. The notice shall include all applicable standards and limitations placed upon the short-term rental, the Butte County administrative permit number, as well as the name, text-enabled phone number, and email of the property manager.

~~e.f.~~ **Internet Posting and other Listings.** All advertising, marketing, online hospitality services (e.g., Airbnb, VRBO), or other types of listing for the short-term rental shall include the following information in accordance with the approved Administrative Permit:

1. Maximum occupancy of rental, not including children under 3 years of age;

2. Maximum number of off-street vehicle parking spaces located on the property;
3. Notification that quiet hours shall be observed between 10:00 pm and 7:00 am, Monday through Friday, and 10:00 pm and 9:00 am on Saturdays, Sundays, and holidays;
- ~~4.~~ Notification that ~~no~~ outdoor amplified sound is only allowed during specified non-quiet hours, and is subject to the Butte County Noise Control Ordinance; and,
- ~~4.5.~~ Notification that commercial activities and special events, including but not limited to weddings, receptions, and parties are prohibited; and,
- ~~5-6.~~ The issued Butte County administrative permit number and the transient occupancy tax certificate number.

~~H.J.~~ Enforcement Process. This section contains its own enforcement process as set forth below. However, this process does not preclude other means of enforcement. Enforcement of this ~~chapter~~section may shall be in accordance with Butte County Code Section 24-5 (F), Enforcement, which may include, but not be limited to, the procedures as established in Butte County Code Section 1-7 (General Penalty, Continuing Violations), ~~and~~ Chapter 32A (Abatement of Public Nuisances) and 41 (Code Enforcement Policies and Procedures), as well as any other procedures available in State or federal law. In no case shall the issuance of a courtesy notice or a warning notice pursuant to Section 41-2 be required for a code enforcement officer to issue a citation pursuant to this Section.

1. **Three Strikes Revocation Rule.** Three verifiable administrative citations, violations, or hearing officer determinations concerning the permit requirements issued to the owner or occupants at the property within a 24-month period shall will result in a notice to cease and desist operations and permit revocation. Revocation is subject to prior notice and to appeal, if requested within ten days. In the event of permit revocation, an application to reestablish a short-term rental after revocation at the subject property shall not be accepted for a minimum period of 24 months.

2. **Complaints.** Complaints shall be sent by text message. Complaints about potential violations shall be directed to the host/property manager with a copy to the Department of Development Services. If the host/property manager corrects a violation upon request within 30 minutes, the violation shall not be counted as a strike under the three strikes revocation rule under this section. The host/property manager shall document the correction to the complainant/complainant, with a text or email copy provided to the Department of Development Services. A verifiable repeat violation that takes place within 90 days shall be counted as a strike. If the host/property manager is unavailable or fails to correct a potential violation, the violation shall be counted as a strike. The Department of Development Services shall send notice of the strike to the host/property manager and give the host/property manager the opportunity to respond. The Department of Development Services shall evaluate any response and communicate its determination to the host/property manager. When three strikes have been documented, the Department of Development Services shall schedule a revocation hearing to be heard by the Zoning Administrator.

~~1. Verification of a violation may require a follow up site investigation by a code enforcement officer during the time a violation is taking place. Complaints about possible violations of this section shall be directed to the property manager. If the property manager is unavailable or fails to respond, the complaining party should contact the Code Enforcement Division of the Butte County Department of Development Services.~~
3. **Increased Permit Fee Penalty for Non-Compliance.** Any property that is determined to be advertised for use as a short-term rental without first obtaining the necessary administrative permit required under this section shall be issued a citation and a notice to cease and desist. ~~subject to a~~ permit fee penalty of ten times the regular application fee applies shall be applied to said property for future short-term rental administrative permit applications.

PLANNING COMMISSION SUMMARY NOTES

Draft Short-Term Rental Ordinance Public Workshop

May 10, 2018

On May 10, 2018, the Butte County Planning Commission held a Public Workshop concerning the Draft Short-Term Rental Ordinance. Previously on February 12, 2018, the Board of Supervisors had directed Development Services Staff to prepare a Draft Short-Term Rental Ordinance to allow this use, and to ensure that short-term rentals would not create nuisances or disturbances in neighborhoods and residential zones. The purpose of the Planning Commission's May 10, 2018 Public Workshop was to provide an opportunity to receive questions and comment from Planning Commissioners and the public. Direction received from the Planning Commission during this meeting will be incorporated into the Draft Short-Term Rental Ordinance for consideration at a future public hearing.

Principal Planner Dan Breedon provided a PowerPoint presentation concerning the Draft Short-Term Rental Ordinance. At the conclusion of the presentation, there was an opportunity for the Planning Commission to provide comment and answer questions. There was also an opportunity for members of the public to submit written comments and to address comments directly to the Planning Commission. After the conclusion of public comment, the Planning Commission discussed the proposed ordinance and provided direction to staff. A summary of the Planning Commission's discussions and direction, as well as public comment, is provided below.

Questions and Comments from the Planning Commission

COMMISSIONER JOHN: Concerning the limitation on no outdoor amplified sound, can we use the same limitations as special events?

Staff: Noise Studies are completed in the course of receiving a permit for a special event facility. Homeowner may not have the ability to provide a noise study and detailed noise level information at this scale. It is more appropriate to limit outdoor amplified music. The transient nature of each guest makes it difficult to assess individual noise concerns.

COMMISSIONER JOHN: Concerning AG (Agriculture) and TM (Timber Mountain) zones. What amount of properties would this limit? He is concerned about Agricultural lands not being able to have short-term rentals.

Staff: The AG and TM zones occupy a large area of the County. The concern being addressed is dust, noise and other impacts on the occupants of short-term rentals.

COMMISSIONER CHASE: The allowance of short-term rentals in AG and TM zones could also present impacts to the farming operations.

COMMISSIONER DONATI: Short-term rentals of residences in AG zones does happen quite often.

COMMISSIONER JOHN: Discussed that using Accessory and Second Dwelling Units as short-term rentals would be likely to happen if the original occupant vacates.

COMMISSIONER DONATI: What is driving this issue of short-term rentals?

Staff: Sites like Airbnb facilitate short-term rentals. The main concern is complaints, and not having the ability to prohibit or permit short-term rentals. The Board has provided direction to allow this use and determine what level of regulation should be associated with them.

COMMISSIONER CHASE: Indicated that without an ordinance, things could get worse, someone enjoying this use may not be protected in the future.

COMMISSIONER JOHN: Pointed out that it is more equitable to collect Transient Occupancy Taxes (TOT) under an ordinance.

COMMISSIONER CHASE: Asked if there was an issue or comment concerning fire hazards.

Staff: There was a public comment made during the Board meeting about not allowing short-term rentals in the High Fire Hazard areas, but that limitation is not currently included in the Draft Ordinance.

CHAIR GRUNDMANN: Discussed that a process to work problems out with the proprietor before escalating to a violation is a good direction.

CHAIR GRUNDMANN: Discussed concern about allowing a second dwelling as a short-term rentals and creating a permission where there currently is not one. He was concerned that it could create an avenue for a rental businesses where there was not one intended.

COMMISSIONER JOHN: Stated that for this reason he likes Pasadena's approach to provide a cap to the short-term rental. He stated that the concern was turning single-family residential zones into rental properties and that the same concern could be applied to AG zones.

COMMISSIONER CHASE: Asked if there are restrictions in place about occupancy in general. Parking is also an important implication.

Staff: There are restrictions in the Draft Ordinance on how many people can occupy a bedroom and the minimum amount of square feet allowed per person.

COMMISSIONER JOHN: Asked what other municipalities in the County are doing concerning short-term rentals.

Staff: Indicated that they were not aware of any efforts to develop an ordinance. Staff indicated that the ordinance was sent to all cities and the Town for coordination, and that ideally would like to see their ordinances coordinated with the County.

CHAIR GRUNDMANN: Stated that a main concern was changing the nature of single-family residential areas and encouraging the construction of short-term rental units.

COMMISSIONER CHASE: Stated that the intention was also that second units be available for long-term housing.

Staff summarized the following letters addressed to the Planning Commission: Debbie Hall, Rebecca Solaire, Neil McCabe, and Mandy Whigham. Copies of the letters were also distributed to the Planning Commission.

Chair Grundmann opened the Workshop for public comment

Steven B. Smith. Operates an Airbnb since last summer that has seven bedrooms. His children have moved out and they started the Airbnb with the space provided. The short-term rental provides him with the ability to maintain a beautiful home and gardens. Stated that the rental made the home less active because they previously had nine children living at home. Indicated that they are responsible neighbors and the last thing we want is to be an impact to neighbors. The rules appear to be considerate at this time. Thanked the Planning Commission for their consideration.

Georgie Bellin. Indicated that she does not have an Airbnb, but has real estate clients that do and indicated that they offer benefits. Stated that many clients have empty homes because their children have moved out and that events draw people to the area. Also indicated that agriculture and country areas are a draw. Indicated that she has the need to rent out to visiting professors or doctors attending Enloe Hospital on an infrequent basis. Indicated that owner occupancy does provide more care regarding what is happening on property. Indicated that the County should include the Agriculture and timber areas as being allowed for short-term rentals.

Mellissa Schuster. Indicated that she sits on Paradise Town Council, also advisory member of Tourism Business Improvement District (TBID), and has been involved in tourism for many years. She operates Airbnb in the Town of Paradise. Indicated that Airbnb is largest room provider in the world and that Airbnb has a mechanism to collect TOT for jurisdiction. Indicated that it is difficult to collect TOT and TBID taxes without the benefit of an ordinance, and that the TOT and TBID funds are valuable for public safety and tourism. Tourism provides benefits of revenue to the County. Indicated that agritourism is huge right now, and that people want authentic experiences. Indicated that occasionally someone would like to have a wedding and that there could be the ability to receive a one-time use permit for one wedding event. Indicated that hosted vs. unhosted stays make a big difference and that the community does not want to see corporations renting out unhosted rentals.

COMMISSIONER JOHN: Asked if Town of Paradise was looking to develop an ordinance. Ms. Schuster responded yes that it would be in the 2018/19 timeframe.

COMMISSIONER CHASE: Asked Ms. Schuster about her experience with noise. She indicated that they live in a rural area, but are always careful; house rules express no noise after 10:00 pm. Some visitors are from Sacramento and San Francisco, but primarily our biggest traffic is Chico State graduation and the Wildflower ride.

Mandy Whigam. Indicated that she went through an issue concerning an Airbnb with the City. Stated that these are our personal homes, we want to be polite to neighbors and guests. Indicated that the County Draft Ordinance was a very strict ordinance, stricter than any other was. She stated concern about noise violations if someone is in the pool. Indicated that her biggest concern presented by the Draft Ordinance was the creation of a platform for the squeaky wheel. The terms in the ordinance are above and beyond what should be expected for a short-term rental. Regulations are very strict and excessive and was concerned about complaints being filed unfairly. Asked if the collection of TOT creates an expectation of service from the government. Indicated that their rentals are a private agreement between two parties and that they choose who stays there. The regulations should not be any different from any other residential use. The requirement for 24-hour property management is a little absurd.

Staff indicated that the intent is to have a property manager available on a call as needed basis to address situations.

COMMISSIONER JOHN: Asked County Counsel about whether the lack of an ordinance means the existing short-term rentals are operating illegally.

County Counsel: Indicated that generally, the County has a zoning ordinance that sets forth uses that are allowed, and that the County does have a definition for a Bed and Breakfast. There is a need for an ordinance because there is confusion about what is covered and what is not. The Draft Ordinance is trying to ensure harmony and compatibility in neighborhoods.

CHAIR GRUNDMANN: Explained that there is a need to guard against the issue of the squeaky wheel, and balancing complaints against the rights of the use. He agreed that these concerns should be built into the ordinance.

Sam Ditty. He stated that he owns an Airbnb. His experience was that all Airbnbs are responsible. He asked who wrote the ordinance. He stated concerns about imposing limitations on short term rentals due to septic systems. Asked if the Draft Ordinance included experience from Airbnb operators. He additionally stated concern about the three strikes and you are out provision under the Draft Ordinance, that it was alarming and strict. He also asked about how to differentiate between a personal party and noise coming from short-term renters.

Staff Response: Development Services staff, who researched similar ordinances throughout California, drafted the ordinance. The process includes receiving input from this public workshop and refining the Draft Ordinance, reflecting a balance between those who operate Airbnbs and those who live next to them.

CHAIR GRUNDMANN: Indicated that the Draft Ordinance would need a second outing and that this would not be the last workshop on this, that this will serve a preliminary outing on the Draft. Indicated that the staff has heard many good comments.

COMMISSIONER CHASE: In response to San Ditty, indicated she wants to see protections regarding noise and parking. Having a string of people coming into a short-term rental is different from a resident who is familiar with their neighbors.

COMMISSIONER JOHN: Asked if a use permit could be allowed for amplified sound through a temporary use permit.

Staff indicated that a Festival License would allow for a gathering of individuals exceeding 100 people.

CHAIR GRUNDMANN: Closed the Public Hearing portion of the Workshop.

Staff introduced the issues discussed in the Staff Report and staff presentation, which required direction from the Planning Commission. These issues are itemized below.

1) Direction on Applicable Zoning Districts, and Whether AG (Agriculture) and TM (Timber Mountain) Zones were appropriate for Short-Term Rental Use.

COMMISSIONER DONATI: Recommends contacting the Farm Bureau to get their recommendation concerning this issue.

COMMISSIONER JOHN: Indicated that there are areas in Magalia and Forest Ranch where there may be Airbnbs and that he was not sure if we should exclude them. He indicated that if they already exist, they should be permitted and regulated.

2) Direction on Accessory and Second Dwelling Units, and whether it is appropriate to use these units for a Short-Term Rental Use.

CHAIR GRUNDMANN: Indicated that he was against the use of these units for short-term rentals due to density and existing restrictions as set forth under Zoning Ordinance Section 24-172 should stand.

COMMISSIONER DONATI: Indicated that if you are living on the parcel and watching over it (the short-term rental) then it should be fine, but if it is just a rental, it is a problem.

Staff: Asked if it is a hosted short-term rental, meaning someone is living in the primary unit but are renting out the second unit, would it then be suitable?

County Counsel: Indicated that under the existing County Code regarding accessory and second dwelling units owners are required to live on site.

The consensus was that further information and direction was needed to continue a discussion concerning this issue.

3) Direction on Multiple Short-Term Rentals on a Single Parcel, and whether this should be allowed.

COMMISSIONER DONATI: Asked why short-term rentals were not regulated similarly to Bed and Breakfasts?

Staff: Bed and Breakfasts are defined very narrowly, they do provide meals (breakfasts), intensity would be a little higher in a Bed and Breakfast as multiple (up to 8) rooms are occupied. A minor use permit, as required for a bed and breakfast would subject people to a discretionary permit process and would take longer to permit. The Board's direction was to provide a streamlined way to allow short-term rentals.

COMMISSIONER DONATI: Stated concern about creating and splitting off multiple rooms and rentals. This use would be more like a Bed and Breakfast than a short-term rental. This would result in more conflicts and staff should look into whether a minor use permit should be required if multiple rooms are being rented out to multiple parties such as a Bed and Breakfast.

COMMISSIONER JOHN: Indicated that if I have a large home I should have the right to rent out a room or second unit for a short-term rental for one event (such as the Wildflower event) or some limit amount that would not be subject to the short-term rental ordinance.

4) Direction on whether it is appropriate to limit the number of days/year that a short term rental can be occupied, such as with a stated frequency and duration

CHAIR GRUNDMANN: Some variance of Pasadena's ordinance may be appropriate.

COMMISSIONER JOHN: Would like more examples of other municipalities. Indicated that he liked the Pasadena approach of hosted and not hosted but would like to see other jurisdictions as well.

Staff: Indicated that areas such as Lake Tahoe are written on the stricter side; more rural areas are less so. However, we have both rural and urban areas in Butte County.

COMMISSIONER JOHN: Asked about what the rental laws in Butte County were regarding long-term rentals and whether they should they be regulated like short-term rentals. Asked whether the same restrictions on short-term rentals could be applied to long-term rentals.

Staff: Staff replied that long-term rentals could not be regulated the same way as short-term rentals. There is a difference between an established single-family residential use and short-term rentals. Staff would not recommend regulating short-term rentals in the same manner as long-term rentals.

County Counsel: Advised the Planning Commission to think about enforcement of the ordinance. Does the three strikes and you are out mean that the Zoning Administrator will decide if the citation is valid, or is there a monetary fine that goes with a citation?

COMMISSIONER JOHN: Indicated that the issue becomes the validity of the strike (or citation) and whether 24-months is too long to wait after a permit is suspended.

CHAIR GRUNDMANN: Discussed concern about complaints and that the first move should not be to pick up and call the cops, and that the complainant should speak with owner first.

COMMISSIONER DONATI: Asked if you do not get a permit then what. There does not appear to be any appropriate enforcement in that case.

Staff: Pointed out that the fee for operating without a permit would be 10 times greater than the normal fee. Staff would also cite those who do operate without a permit through the normal code enforcement process. An extreme example of enforcement is the City of South Lake Tahoe, which requires a fine of \$1,000.00 without warning on violators. Staff is trying to determine what is appropriate for Butte County.

COMMISSIONER CHASE: Brought up noise impacts, and when a complaint is unjust, what the process should be.

Staff: In some cases, a Sheriff's Deputy would respond and a misdemeanor concerning disturbing the peace would be cited. We can develop and design an enforcement process appropriate for this ordinance.

COMMISSIONER JOHN: Moved to continue the public workshop to June 7, 2018 at 9:00 am. Passed unanimously.

###