

## **FREQUENTLY ASKED QUESTIONS**

### **Butte County Short-Term Rental Ordinance**

The following provides some answers to some frequently asked questions concerning the startup and application for a Short-Term Rental. Staff planners with the Department of Development Services are prepared to answer additional questions and to assist you with the permit process. You are encouraged to speak with a planner at 530.552.3701 prior to starting the permit process. Planners are also available on a walk-in basis at the Department of Development Services, 7 County Center Drive, Oroville, Mon – Fri, 8 am to 4 pm, except on Wed to 3 pm.

#### Why does Butte County regulate Short-Term Rentals?

A short-term rental allows a single-family dwelling, or a portion of a single-family dwelling, to be rented out 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.

Short-term rentals are regulated under the Butte County Zoning Ordinance 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.

#### What zones allow for the operation of short-term rentals?

Most residential zones allow for the operation of short-term rentals with the exception of the HDR (High Density Residential), VHDR (Very High Density Residential), and VLDCR (Very Low Density Country Residential) zones. In addition, Mixed-Use (MU-1 and MU-2), AG (Agriculture), and TM (Timber Mountain) zones allow short-term rentals.

Because many areas in Butte County are subject to agricultural operations, and the potential for short-term renters to experience inconveniences associated with these operations, a Right to Farm disclosure shall be required pursuant to Butte County Code, and made available to guest renters. The staff planner can assist in completing this requirement.

#### What permit do I have to obtain to operate a short-term rental?

An Administrative Permit is required to operate a short-term rental in the unincorporated portion of Butte County. An Administrative Permit application is reviewed by Development Services staff for

compliance with Butte County Code Section 24-172.1. An administrative permit application may be obtained at the following webpage:

<http://www.buttecounty.net/dds/Documents/Planning/Applications>

The Administrative Permit applies operational and development standards that must be upheld by the short-term rental operators 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 all permit conditions and to allow on-site inspections by the County at reasonable times.

Do I have to renew my administrative permit annually?

Yes, once the Administrative Permit is issued, it must be renewed based upon the anniversary date of permit issuance. The renewal process is subject to a fee in accordance with the latest fee schedule approved by the county. Planning staff will review the STR's permit to ensure that there have not been more than two issued violations to the permit conditions; that the short-term rental property has not been transferred to another person, entity, or landowner, that the short-term rental complies with the approved administrative permit; that the short-term rental complies with all applicable codes and standards; and, that 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 date.

Must the short-term rental be my primary residence?

In most cases, yes. There are exceptions where the STR may be a home that is not the owner's primary residence if the property is 5-acres in size or greater, and is located in a zone that does not allow smaller parcels, such as an RR-5 (Rural Residential, 5-acre minimum parcel size) zone. Additionally, in several communities which traditionally have supported vacation homes as second homes, the STR does not have to be a primary residence. These communities are Butte Meadows, Jonesville, Lake Madrone, and Philbrook Reservoir. Applicants should review these exceptions with a staff planner prior to application.

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

What is the difference between a Hosted Stay and an Un-Hosted Stay?

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

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

### How many nights out of the year may I rent my short-term rental?

Hosted Stays are not restricted in terms of maximum amount of rental nights per year. Un-Hosted Stays shall not exceed 90 nights per calendar year. However, up to 180 nights per calendar year may be permitted if the Un-Hosted Stay is located on a property that is 5 acres in size or greater, and is located in a zone that does not allow smaller parcels, such as an RR-5 (Rural Residential, 5-acre minimum parcel size) zone.

### How many people may stay at my short-term rental?

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. The staff planner can assist you in determining the maximum occupancy based upon the number of bedrooms and whether your rental is hooked-up to a septic system or provided with public sewer.

### Do I have to collect transient occupancy taxes for stays at my short-term rental?

Yes. Butte County Code Chapter 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.

### Are there prohibitions on what can be rented out as a short-term rental?

Yes, short-term rentals are not allowed in 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 (generally only applicable to farms and ranches). Any questions concerning these prohibitions should be directed to the staff planner.

### What sort of activities are allowed in a short-term rental?

**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. 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.

### Can I put a short-term rental in the second dwelling unit on my property?

Yes. Both a single-family dwelling that is a primary residence and a second unit on the same parcel may be permitted as short-term rentals. No more than two short-term rentals may be permitted on the same

parcel (e.g. a primary residence and an approved second unit), and one of the short-term rentals must be operated as a hosted stay. The administrative permit shall identify each of the units permitted as short-term rentals.

**Accessory Dwelling Units (units 1,200 square feet or less in size) as defined and permitted under Butte County Code Section 24-172 shall not be permitted for use as short-term rentals.**

Will my neighbors be informed about my short-term rental?

Yes, neighbors will be notified at the time of approval of the administrative permit. All property owners within 300 feet of the property lines of the parcel shall be mailed a notice that will include all applicable standards and limitations placed upon the short-term rental, the Butte County administrative permit number, and the County website that contains the official registry of each approved Short-Term Rental. The official registry will include the property manager's name, text-enabled phone number, and email.

Do I have to provide a property manager?

Yes, 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 permit requirements, 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.

What happens if someone complains about the activities taking place at my short-term rental?

Operation of a short-term rental in compliance with all permit standards will generally alleviate any complaints from surrounding property owners. However, there may be times when guests become too loud for the neighborhood or create another type of nuisance. 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, no violation shall not be documented. **The Short-Term Rental Ordinance imposes a three strike revocation rule whereby 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.**

What if I want to pursue the approval of a short-term rental but cannot comply with the requirements and standards of the Short-Term Rental Ordinance?

Any property owner who proposes a short-term rental that cannot comply with the requirements of the Short-Term Rental Ordinance but may otherwise support the purpose of the ordinance may apply for a minor use permit. This option is only applicable to proposed short-term rentals located on a property that is 5 acres in size or greater, and is located in a zone that does not allow smaller parcels, such as an RR-5 (Rural Residential, 5-acre minimum parcel size) zone. The minor use permit will be subject to a public hearing at the Zoning Administrator in accordance with the Butte County Code. The minor use permit shall also be subject to environmental review pursuant to the California Environmental Quality Act (CEQA). **This option should only be exercised as a last resort due to the higher permit fee and longer processing times applicable to a minor use permit.** A minor use permit is also subject to the discretion of decision-makers and may be approved or denied. All decisions are subject to an appeal process.

I complied with Butte County's Short-Term Rental Ordinance but I have identified other operators online who have not complied and this seems unfair, what can be done about noncompliant operators?

The Short-Term Rental Ordinance imposes an 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 county code 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. Butte County maintains an active Code Enforcement Division to address issues of noncompliance.**