

ORDINANCE NO. 2016-0004

Adopted by the Sacramento City Council

January 19, 2016

**AN ORDINANCE ADDING CHAPTER 5.114 TO THE SACRAMENTO CITY CODE
RELATING TO SHORT-TERM RENTALS**

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Chapter 5.114 is added to the Sacramento City Code to read as follows:

Chapter 5.114 SHORT-TERM RENTALS

Article I. General Provisions

5.114.010 Definitions.

For purposes of this chapter, the following definitions apply:

“City manager” means the city manager or designee.

“Dwelling” has the same meaning as in section 17.108.050.

“Dwelling unit” has the same meaning as in section 17.108.050.

“Lodger” means a person to whom a permittee is providing lodging for compensation.

“Permittee” means the person to whom a short-term rental permit is issued.

“Primary residence of the permittee” means the dwelling unit in which the permittee resides for at least 184 days during the calendar year.

“Property owner” means the owner of the property on which the short-term rental dwelling unit exists or their agent authorized to lease the short-term rental dwelling unit.

“Short-term rental” has the same meaning as in section 17.228.104.D.

“Short-term rental dwelling unit” means the dwelling unit that is subject to a short-term rental permit.

5.114.020 Fees and penalties established.

- A. The following fees are established and imposed pursuant to the provisions of this chapter:
 - 1. Short-term rental permit application fee; and
 - 2. Short-term rental permit appeal fee.
- B. The city council shall establish by resolution the amounts of the foregoing fees, and any penalties.

5.114.030 Permits not transferable.

A short-term rental permit may not be transferred.

5.114.040 Violations.

- A. Any person who violates a provision of this chapter is subject to criminal sanctions and administrative penalties pursuant to chapter 1.28.
- B. Violations of this chapter are hereby declared to be a public nuisance subject to a civil action for abatement by the city attorney pursuant to chapter 1.28.
- C. Any person who violates a provision of this chapter is liable for civil penalties of not less than \$250 or more than \$25,000 for each day the violation continues.
- D. In addition to any other remedy allowed by law, all remedies prescribed under this chapter are cumulative and the election of one or more remedies does not bar the city from the pursuit of any other remedy to enforce this chapter.

Article II. Short-Term Rental Permits.

5.114.100 Short-term rental permit required – Consent required.

- A. No person shall operate a short-term rental unless a short-term rental permit is in effect for the dwelling unit.
- B. Upon demand of a peace officer or city employee authorized to enforce this chapter, every person operating a short-term rental shall present the short-term rental permit that is in effect for that dwelling unit.

- C. No person shall operate a short-term rental without the consent of the property owner.

5.114.110 Applications for short-term rental permits.

- A. An owner, lessee, or holder of a similar interest in a dwelling unit may apply for a short-term rental permit by filing an application with the city manager. The application must be on a form approved by the city manager and may require any information or documentation consistent with the provisions of this chapter.
- B. To renew a short-term rental permit, the permittee shall file an application with the city manager. The application must be submitted no later than 30 days prior to the short-term rental permit expiration date. Untimely applications to renew short-term rental permits are subject to a late penalty in the amount established by resolution of the city council.
- C. Every application for a short-term rental permit, including renewal applications, shall be accompanied by the short-term rental permit application fee in the amount established by resolution of the city council.
- D. No person shall knowingly make a false statement of fact or knowingly omit any information that is required in an application for a short-term rental permit.

5.114.120 Grounds for denying a short-term rental permit.

The city manager may deny an application for a short-term rental permit for any of the following reasons:

- A. The application is incomplete;
- B. The application contains a false or misleading statement or omission of a material fact;
- C. The dwelling is subject to an enforcement action pursuant to any provision of this code, including but not limited to chapters 8.04 (Nuisances Generally), 8.96 (Dangerous Buildings Code), and 8.100 (Housing Code);
- D. The dwelling has more than once been found to be in violation of any provisions of this code, including but not limited to chapters 8.96 (Dangerous Buildings Code) and 8.100 (Housing Code);

- E. The property owner or occupants of the dwelling have more than once been found to be in violation of any applicable law, including but not limited to chapters 8.08 (Social Nuisance Code) and 8.68 (Noise Control).
- F. The applicant or the property owner is delinquent on any payment to the city of any fees, penalties, taxes, or any other monies related to the property;
- G. Within 12 months of the date of application, a short-term rental permit for the dwelling was revoked; or
- H. The operation of a short-term rental by the applicant or at the dwelling is a threat to the public health, safety, or welfare.

5.114.130 Issuance of short-term rental permit – Notice to neighbors.

- A. Unless the city manager determines that grounds for denying an application for a short-term rental permit exist, the city manager shall issue the permit. The city manager may impose conditions on the permit as necessary to protect the public health, safety, and welfare.
- B. Upon issuance of a short-term rental permit, the city will notify all owners of property within 200 feet of the permitted short-term rental dwelling unit. The notice will be in writing and contain the location of the short-term rental dwelling unit and the contact information for the permittee.

5.114.140 Term of short-term rental permit.

A short-term rental permit is valid for one year from the date the permit was issued, unless it is suspended or revoked sooner.

Article III. Short-Term Rental Regulations

5.114.200 Occupancy limit.

No permittee shall, for compensation, provide lodging for more than six people at any time in a short-term rental dwelling unit.

5.114.210 Annual limit.

If the short-term rental dwelling unit is not the primary residence of the permittee, no permittee shall, for compensation, provide lodging for more than an aggregate of 90 days in any calendar year.

5.114.220 Registry required.

- A. A permittee shall keep a register that documents the following information:
 - 1. All dates on which the permittee provided lodging for compensation;
 - 2. The number of lodgers on each date; and
 - 3. The amount of rent paid by lodgers for each night of lodging.
- B. A permittee shall maintain this register in a printed format for at least three years and shall provide the register to the city upon request.

5.114.230 Posting of permit.

A permittee shall post a copy of the short-term rental permit in a conspicuous place in each room in which a lodger is expected to sleep.

5.114.240 Signs prohibited.

No permittee shall post on the short-term rental dwelling unit property any sign or writing visible from the exterior of the dwelling indicating that the dwelling unit is available for rent.

5.114.260 Special events prohibited.

No permittee shall allow any conferences, weddings, fundraisers, or similar gatherings at the short-term rental dwelling unit.

5.114.270 Taxes.

Permittees shall pay the appropriate business operations tax as set forth in chapter 3.08 and the uniform transient occupancy tax as set forth in chapter 3.28.

Article IV. Procedures for Actions on Permits.

5.114.300 Suspending, revoking, or conditioning a short-term rental permit.

- A. The city manager may suspend, revoke, or condition any short-term rental permit for any of the following reasons:

1. One or more of the circumstances upon which a short-term rental permit could be denied as described in section 5.114.120 exists or has occurred; or
 2. The permittee has violated any provision of this chapter.
- B. The conditions that the city manager may impose on the short-term rental permit include, but are not limited to:
1. Requiring the permittee to remain at the dwelling unit during certain hours while guests are present;
 2. Requiring a manager who resides locally and who will quickly respond to complaints;
 3. Reducing the number of guests that are allowed to lodge at the dwelling unit; and
 4. Reducing the number of days in a year that the permittee is allowed to provide lodging.

5.114.310 Hearing required—Exception.

- A. No short-term rental permit may be suspended, revoked, or conditioned until the permittee is provided a notice of hearing pursuant to section 5.114.320 and an opportunity to be heard by the city manager.
- B. Notwithstanding subsection A, a permit issued pursuant to this chapter may be suspended, revoked, or conditioned immediately upon the city manager's determination that the immediate suspension of the permit is necessary to protect the public health, safety, or welfare.
- C. If a permit is immediately suspended pursuant to subsection B, the permittee subsequently shall be provided a notice of hearing pursuant to section 5.114.320 and an opportunity to be heard by the city manager.

5.114.320 Notice of hearing.

- A. The city manager shall serve on the permittee a notice of hearing on the decision to suspend, revoke, or condition a short-term rental permit. The notice shall be in writing and contain a brief statement of the grounds for the action, and the date, time, and location of the hearing.

- B. The notice of hearing shall be personally served or sent by certified mail to the permittee at the address submitted in the permit application at least 10 calendar days prior to the hearing. Service by certified mail is complete at the time the notice is deposited in the mail.

5.114.330 Notice of decision.

- A. If, after the permittee has had an opportunity to be heard, the city manager decides to suspend, revoke, or condition a short-term rental permit, the city manager shall serve a notice of decision on the permittee. The notice shall be in writing and contain:
 - 1. The specific grounds for the decision;
 - 2. A statement that the permittee may appeal the decision by submitting an appeal, in writing to the city manager, within 10 calendar days of the date of service of the notice; and
 - 3. A statement advising that the failure to appeal the decision will constitute a waiver of all rights to an appeal hearing, a failure to exhaust administrative remedies, and a bar to any judicial action pertaining to the city manager's decision.
- B. The notice of decision shall be personally served or sent by certified mail to the permittee at the address submitted in the permit application. Service by certified mail is complete at the time the notice is deposited in the mail.

5.114.340 Return of the permit.

A permittee shall return a suspended or revoked short-term rental permit to the city manager within three calendar days of the receipt of the notice of decision described in section 5.114.330.

5.136.350 Appeal of action on permit.

- A. Any applicant or permittee may appeal the city manager's decision to deny, suspend, revoke, or condition a short-term rental permit by submitting a written notice of appeal to the city manager within 10 calendar days from the date of service of the notice of decision. The written notice of appeal must contain:
 - 1. A brief statement in ordinary and concise language of the specific decision protested, together with any material facts claimed to support the appeal;

2. A brief statement in ordinary and concise language of the relief sought, and the reasons why it is claimed the protested decision should be reversed or otherwise set aside;
 3. The signatures of all parties named as appellants and their official mailing addresses; and
 4. A declaration under penalty of perjury by at least one appellant as to the truth of the matters stated in the notice of appeal.
- B. The appeal hearing shall be conducted by a hearing examiner appointed pursuant to section 8.04.070.
 - C. Upon receipt of any appeal filed pursuant to this section, the city manager shall transmit the appeal to the hearing examiner, who shall cause it to be calendared for the next regularly scheduled appeal hearing date that is at least 15 days later.
 - D. The hearing examiner shall serve a notice of appeal hearing on each appellant. The notice shall be in writing and contain the date, time, and location of the appeal hearing. The notice shall be personally served or sent by mail to the appellant at the address shown on the appeal at least 10 days prior to the date of the hearing.
 - E. Only those matters or issues specifically raised by the appellant in the written notice of appeal shall be considered in the appeal hearing.
 - F. Failure of any person to file a timely appeal in accordance with the provisions of this section shall constitute an irrevocable waiver of the right to an administrative hearing and a final adjudication of the matter and any portion thereof.

Adopted by the City of Sacramento City Council on January 19, 2016, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Schenirer, and Warren

Noes: None

Abstain: None

Absent: Mayor Johnson

Attest:

Shirley Concolino Digitally signed by Shirley Concolino
DN: cn=Shirley Concolino, o=City of Sacramento, ou=City
Clerk, email=sconcolino@cityofsacramento.org, c=US
Date: 2016.02.17 09:51:09 -08'00'

Shirley Concolino, City Clerk

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