



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Planning Commission
FROM: Terri C. Schaeffer, Housing Program Coordinator
MEETING DATE: January 7, 2016
SUBJECT: Ordinance to Permit Home Sharing
CEQA: Exemption as per Section 15301 Class 1

RECOMMENDATION

Receive report and provide recommendation for approval to City Council.

DISCUSSION

The City Council at its meeting on December 16, 2015 reiterated its support of short term vacation rentals (STVR) in City residential zones. Specifically, the Council supported and recommended the Planning Commission adopt the use of the rental of a single room for transient use as a STVR. Staff requests the Planning Commission’s consideration of amendments to the Pacific Grove Municipal Code (PGMC) Chapter 23 (Zoning Code) and upon discussion and review, make recommendations to City Council.

Staff recommends adding a new section regarding the “Home Sharing” to Chapter 23.64 General Provisions and Exceptions. Section “23.64.370 Home Sharing” will allow property owners desiring to rent a room to unrelated guests for less than 30 days for a fee, to obtain a permit for this use in any residential zone. Home sharing is limited to single family dwellings in any residential or commercial zone. Home sharing is not permitted in dwelling units lawfully established as second units established pursuant to Chapter 23.80 PGMC; any accessory unit to a dwelling unit, condominium, multi-family dwelling unit or any other “tenants in common” dwelling unit; any room, detached rooms, or a portion of a residential unit that does not provide both kitchen and bathroom facilities; or as part of a bed and breakfast inn, motel, hotel, timeshare development, or other transient use.

To obtain a Home Sharing Permit a owner or owner representative of any qualifying residential property may submit an application to the City for an administrative home sharing permit, along with payment of the approved fees, an affidavit affirming that smoke detectors are installed and maintained in all sleeping quarters and common areas, that fire extinguishers are accessible, and a carbon monoxide alarm is installed on each level. The owner or owner representative shall provide access and information to a certified inspector to ensure health and safety of the home share site, prior to issuance of the permit; a report verifying inspection of the site has occurred, and that the Home Sharing site conforms to all requirements of PGMC Section 23.64.370.

Once a permit is approved, all transient occupancy taxes as set forth in Chapter 6.09 PGMC, and fees, as adopted from time to time in the City's Master Fee Schedule shall be collected and remitted to the City, applicable.

OPTIONS

1. Recommend the City Council adopt the attached Ordinance Amendments
2. Do nothing.

ATTACHMENTS

1. Draft Ordinance

FISCAL IMPACT

An increase in transient occupancy tax revenue is expected.

RESPECTFULLY SUBMITTED,



Terri C. Schaeffer
Housing Program Coordinator/
Code Compliance Officer

RESPECTFULLY SUBMITTED,



Mark Brodeur
Director
Community and Economic Development

ORDINANCE NO. 15-

**AN ORDINANCE OF THE CITY OF PACIFIC GROVE AMENDING
THE PACIFIC GROVE MUNICIPAL CODE AT PGMC §23.64 TO ALLOW AND
REGULATE HOME SHARING**

FACTS

1. The Pacific Grove Municipal Code (PGMC) controls land use and zoning through PGMC Title 23, “Zoning.”
2. Title 23 allows for the transient use of residential property. Home sharing, by which the resident of a home provides accommodations for less than 30 days to unrelated guests, while the owner or long-term tenant is present, is one possible type of transient use of residential property commonly considered in Pacific Grove and elsewhere.
3. The City Council has the authority to legalize home sharing.
5. To ensure home sharing fully considers the health and safety of the short-term tenants, and preserves or enhances the existing character of the neighborhood in which the home is shared, it is desirable for the City to adopt regulations similar to, but in some ways different from, those regulations adopted for motels, hotels, bed and breakfasts, and other short-term transient uses. Such standards, conditions and regulations established by Council shall be in addition to and harmonious with the Coastal Act and the City’s General Plan.
6. Enactment of this ordinance action is a Project, as defined by California Environmental Quality Act (CEQA), and is exempt according to Section 15301 Class 1, since amendments proposed by these ordinances do not result in any new or significant impacts to the environment because they are either more protective or procedural in nature.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF
PACIFIC GROVE:**

SECTION 1. The foregoing Facts are adopted as findings of the City Council as though set forth fully herein.

SECTION 2. Existing Municipal Code section of Chapter 23.64 “General Provisions and Exceptions” shall be amended by the addition of Section 23.64.370, “Home Sharing,” as follows:

- (a) Definitions. For the purposes of this section, certain terms used herein shall have the meanings set forth below or in section 23.64.350, and such meanings shall prevail in case of conflict with the definitions set forth in Chapter 23.08 PGMC.
 - (1) “Guest” means a person who rents a bedroom and ancillary facilities at a home sharing site

- (2) “Home sharing” means an activity whereby Residents host Guests in their homes, for compensation, for periods of 30 consecutive days or less, while at least one of the dwelling unit’s Residents lives in the dwelling unit.
 - (3) “Home sharing site” means property occupied and used for home sharing purposes.
 - (4) “Resident” means a person legally residing in a dwelling unit in excess of 30 consecutive days. Such Resident may be the owner or a tenant living there with the approval of the owner.
- (b) Home sharing for remuneration is allowed pursuant to this chapter, provided that a separate home sharing permit has first been granted and validly maintained for each home sharing site.
 - (c) Each home sharing permit shall meet all requirements of this section, including:
 - (1) Each “Home Sharing” permit shall be subject to the following conditions:
 - a) Home sharing is limited to single family dwellings in any residential or commercial zone. Home sharing is not permitted in dwelling units lawfully established as second units established pursuant to Chapter 23.80 PGMC; any accessory unit to a dwelling unit, condominium, multi-family dwelling unit or any other “tenants in common” dwelling unit; any room, detached rooms, or a portion of a residential unit that does not provide both kitchen and bathroom facilities; or as part of a bed and breakfast inn, motel, hotel, timeshare development, or other transient use.
 - b) The resident shall also occupy the home throughout the duration of any home sharing;
 - c) A maximum of one bedroom in the home may be rented to adults; a second bedroom may be rented to children as part of the same contract;
 - d) No more than 2 adults shall occupy the rented bedroom;
 - e) Guest(s) shall have exclusive use of the rented bedroom(s) and shared use of a full bathroom and kitchen;
 - f) Neither bedrooms nor bathrooms shall not contain cooking facilities;
 - g) A designated on-site parking space for use by overnight guests, if it exists, or one parking space on any on-site driveway, if it exists.
 - (2) Owner or owner representative of any qualifying residential property may submit an application to the City for an administrative home sharing permit, along with payment of the approved fees, an affidavit affirming that smoke detectors are installed and maintained in all sleeping quarters and common areas, that fire extinguishers are accessible, and a carbon monoxide alarm is installed on each level. The owner or owner representative shall provide access and information to a certified inspector to ensure health and safety of the home share site, prior to issuance of the permit; a report verifying inspection of the site has occurred, and that the Home Sharing site conforms to all requirements of PGMC Section 23.64.370.
 - (3) A home sharing permit shall continue in force, as long the conditions are met, except upon cancellation by the owner or owner representative, or upon the sale or transfer of the property.
 - (4) Once a permit is approved, all transient occupancy taxes as set forth in Chapter 6.09 PGMC, and fees, as adopted from time to time in the City’s Master Fee Schedule shall be collected and remitted to the City, applicable.

- (5) Evidence of transient occupancy of a permitted home sharing site, statements and records, failure to file statement or corrected statement, payment of transient occupancy tax, appeal of tax, additional power of City, permit nontransferability, permit denial or revocation, appeal of revocation or suspension, penalties, and liens, shall be as provided in sections 7.40.110 through 7.40.210, inclusive.
- (d) Liability and Enforcement. For the purposes of this section, liability and enforcement shall be the same as PGMC section 23.64.350 (c).

SECTION 3. In accord with Article 15 of the City Charter, this ordinance shall take effect thirty days following passage and adoption hereof.

SECTION 4. The City Manager and City Clerk are directed to perform all tasks necessary to implement this ordinance. This measure may, but shall not be required to, cause republication of the Pacific Grove Municipal Code.

SECTION 5. If any provision, section, paragraph, sentence, clause, or phrase of this ordinance, or any part thereof, or the application thereof to any person or circumstance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, or any part thereof, or its application to other persons or circumstances. The City Council hereby declares that it would have passed and adopted each provision, section, paragraph, subparagraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, paragraphs, subparagraphs, sentences, clauses, or phrases, or the application thereof to any person or circumstance, be declared invalid or unconstitutional.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this ____ day of _____, 2015, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

BILL KAMPE, Mayor

ATTEST:

SANDRA KANDELL, Deputy City Clerk

APPROVED AS TO FORM:

DAVID C. LAREDO, City Attorney