

## ORDINANCE NO. 1010

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA, AMENDING THE DEL MAR MUNICIPAL CODE (TITLE 30 ZONING CODE) TO ESTABLISH A NEW CHAPTER 30.96 SHORT TERM RENTAL REGULATIONS; AND AMENDING THE CITY'S CERTIFIED LOCAL COASTAL PROGRAM ALL RELATING TO THE ESTABLISHMENT OF SHORT-TERM RENTAL REGULATIONS AND PERMIT REQUIREMENTS AND IMPLEMENTATION OF THE 6<sup>TH</sup> CYCLE HOUSING ELEMENT PROGRAM 5C (PRESERVE THE CITY'S EXISTING HOUSING STOCK)

WHEREAS, the term short-term rental (STR) means the rental of a dwelling unit, or any portion thereof, for dwelling, lodging, or sleeping purposes, for a period of thirty (30) consecutive calendar days or less, unless otherwise exempted as a rental for a term of at least one month or longer; and

WHEREAS, the purpose of this Ordinance is to create a new Del Mar Municipal Code Chapter 30.96 to establish short term rental regulations that provide a permitting process and reasonable standards regulating the use and operation of STRs with the intent to preserve long term housing; and

WHEREAS, preparation of the STR Regulations Ordinance has been a multi-year process, which has involved studies and consideration of how the availability of dwelling units in the community for short-term visitor use can supplement the availability of visitor accommodations and support visitor-serving uses without sacrificing the City's need to maintain its long-term housing stock; and

WHEREAS, the State legislature declared that "Housing is a statewide concern", that California faces a housing crisis, and that local jurisdictions are mandated to comply with applicable State housing laws; and

WHEREAS, the City of Del Mar Community Plan is the General Plan for the City of Del Mar and has an overall goal to "preserve and enhance the special character of Del Mar," this includes maintaining the "village-like community of substantially single family residential character, a picturesque and rugged site, and a beautiful beach" as well as preserving and enhancing "Del Mar's special residential character and small town atmosphere with its harmonious blending of buildings and landscape in proximity to a beautiful shoreline"; and

WHEREAS, the City's certified Housing Element is one of many required components that is part of the Del Mar Community Plan consistent with State laws applicable to General Plans; and

WHEREAS, the certified Housing Element identifies programs and resources required for the preservation, improvement, and production of housing to meet the existing and projected needs of its population which requires the creation of additional affordable housing stock; and

WHEREAS, the proposed amendments to the Del Mar Municipal Code and Local Coastal Program (LCP) are required to implement the City's 6<sup>th</sup> Cycle Housing Element commitments identified in Program 5C (Preserve the City's Existing Housing Stock); and

WHEREAS, the City of Del Mar is located entirely within the "Coastal Zone" boundary and is therefore subject to compliance with the California Coastal Act, including the required submittal of all amendments to the City's certified LCP land use policies and zoning regulations for certification by the California Coastal Commission consistent with the Coastal Act; and

WHEREAS, City staff engaged in a multi-year public outreach process to encourage public participation for the formulation of guiding principles and objectives, draft regulations, and this Ordinance, which included articles posted on the City's website, multiple announcements made in the City's weekly updates, and multiple announcements made during public meetings including the Planning Commission and City Council meetings; and

WHEREAS, on September 5, 2023, the City Council provided direction to staff to establish a database of existing STRs in operation within the last ten (10) years to inform the City of a reasonable baseline to use for future City Council determinations of the number of existing STRs to be accommodated; and

WHEREAS, an online registry was established on the City of Del Mar website and beginning September 8, 2023, multiple newsflash articles were published and distributed in the City's weekly update and in all Agenda Reports to the City Council and Planning Commission relating to short term rentals from that date to the present to encourage existing STR owners seeking to continue their existing operations to add their properties to the database; and

WHEREAS, on January 22, 2024, the City Council provided policy direction to accommodate existing STRs under the new STR regulations where the existing STR owners timely register with the City and obtain a STR Permit to allow their existing STR operations to exist subject to compliance with the STR regulations, as applicable, until the property changes ownership, the STR Permit is not renewed, or the permit is revoked for non-compliance; and

WHEREAS, this STR Ordinance will accommodate existing STR owners operating in the City of Del Mar prior to adoption of the Ordinance where the owner timely registers the existing STR with the City by December 31, 2024;

WHEREAS, STR Permit applications for existing STRs must be submitted within sixty (60) days of the effective date of the Ordinance which will be the date the Coastal Commission grants final certification of the Ordinance; and

WHEREAS, the Notice of Availability and Notice of Planning Commission public hearing for the Amendments to the Community Plan, Zoning Ordinance, and LCP was posted in the Coast News on July 26, 2024, and individual mailed notices were sent to all interested parties who participated by submitting written correspondence, requested notification, and/or submitted speaker slips on the topic of short term rentals in the public

meetings of the Planning Commission and City Council held between January 2023 through September 2024; and

WHEREAS, on August 13, 2024, the Planning Commission recommended approval of the CEQA determination and recommended the City Council adopt the amendments and modify the definition of short-term rentals to define STRs as less than one month and define what that means; and

WHEREAS, on August 23, 2024, the notice of City Council public hearing was published in the San Diego Union Tribune and mailed notices were sent to all interested parties including those who participated through the Planning Commission hearing on August 13, 2024; and

WHEREAS, as part of Item 17 on the August 26, 2024, City Council meeting, the City Council reviewed options for definitions of short-term rental, long-term rental, and exemptions for monthly rentals, and the Council expressed a desire to exempt rentals for a month from the STR regulations and the requirement to collect and remit Transient Occupancy Tax (TOT); and

WHEREAS, on September 9, 2024, the City Council held a duly noticed public hearing for introduction of the Ordinance; and

WHEREAS, as introduced by the City Council on September 9, 2024, modifications were made to the Ordinance relating to the topics of the citywide cap (Section 30.96.050(B)), exemption of rentals for one month from the STR regulations (Section 30.96.025(A)(2)(a)), and STR operator self-certification of compliance with life safety requirements (30.96.040(E)(5) and deletion of 30.06.070(F)(3)), as shown in the findings under Section Two, below; and

WHEREAS, adoption of this Ordinance will amend the Del Mar Municipal Code Title 30 (Zoning) and certified Local Coastal Program to establish short term rental regulations in a new Del Mar Municipal Code Chapter 30.96 and implement the 6th Cycle Housing Element Program 5C commitment for preservation of existing stock which is consistent with the California Coastal Commission policy guidance to limit new short term rentals to primary residences.

NOW THEREFORE, the City Council of the City of Del Mar does hereby ordain as follows:

**SECTION ONE:** The above stated Recitals are true and correct and are incorporated by reference into this action.

**SECTION TWO:** That a new Chapter 30.96 be added to the Del Mar Municipal Code and the City's Local Coastal Program as follows:

### **Chapter 30.96 – Short-Term Rentals**

#### **30.96.010 – Purpose**

The purpose of this Chapter is to provide a permitting process and reasonable standards regulating the use and operation of Short-Term Rentals (STRs) for visitor lodging

involving timeframes of thirty (30) consecutive days or less, with the intent to maintain long-term housing stock in the City of Del Mar; honor the existing policies in the Del Mar Community Plan; maintain the residential character of neighborhoods in residential zones; honor the tradition of vacation rentals during the summer, holiday, and horse-racing seasons; ensure protection of the public health, safety, and general welfare; ensure the City's natural resources will be preserved and protected; ensure STRs will not overburden public improvements, facilities, and services; minimize adverse impacts to adjacent private properties and the surrounding neighborhood; establish distribution and concentration of STRs throughout the community; establish enforcement protocols; and ensure the regulation of STRs is, at a minimum, revenue-neutral to the City. For purposes of this Chapter, long-term rentals (including rentals for a fixed-term or periodic tenancy and rentals for a month), and home exchanges are exempt from compliance with the provisions of this Chapter.

### **30.96.020 – Definitions**

For purposes of Chapter 30.96, the following definitions shall apply:

*Accessory Dwelling Unit (ADU)* shall have the same meaning as in Section 30.04.010(C) of this Municipal Code.

*Bedroom* shall be defined as an enclosed space within a dwelling unit that is designed for or could be used for sleeping and has or is designed to have a door permitting complete closure and separation from the kitchen, living room, and hallway areas.

*Designated Local Contact Person* means the person designated by the Owner to be available twenty-four (24) hours per day, seven (7) days per week, for the purpose of responding within thirty (30) minutes to complaints regarding the condition, operation, and/or conduct of occupants and guests of the STR, and taking remedial action to resolve any such complaints.

*Existing Short-Term Rental (Existing STR)* means a STR operating in the City prior to adoption of the City's STR Ordinance where the Owner timely registered the STR with the City as of the date stated in the Ordinance. A STR shall cease to be protected as an Existing STR upon any of the following: the transfer of ownership of the STR property, the STR Permit is not maintained in good standing, including a STR Permit that is not timely renewed prior to the permit expiration date, or the STR Permit is revoked due to non-compliance with any provision of this Chapter. A change in title that is processed in accordance with Section 30.96.030(G) shall not be considered a transfer of ownership that would terminate rights to an Existing STR. Unless otherwise expressly stated herein, an Existing STR is subject to all applicable provisions of this Chapter.

*Home Exchange* means an agreement between parties for exclusive use of each other's homes for dwelling, lodging, or sleeping purposes, for a set period of time, with no monetary exchange or other consideration exchanged between the parties.

*Long-Term Rental* means the rental of a dwelling unit, or any portion thereof, for dwelling, lodging, or sleeping purposes, subject to a rental agreement, for (i) a fixed-term (e.g., annual) or periodic tenancy (e.g., month-to-month), with a total rental period of more than thirty (30) consecutive calendar days; or (ii) a rental for a month as described in Section 30.96.025 of this Chapter.

*Owner* means the natural person(s) who is/are the owner(s) of record of the dwelling unit, at least one of whom occupies the dwelling unit at which the STR will operate as their Primary Residence, unless identified as an Existing STR by the City. All owner(s) of record of the dwelling unit are required to sign the STR Permit application and shall be held jointly and severally liable for any violation(s) of this Chapter. For purposes of this Chapter, "Owner" may also include:

(i) A personal trust or family trust whose beneficiaries consist solely of natural persons and the trustee(s) of such trust, so long as at least one beneficiary or trustee of the trust occupies the dwelling unit at which the STR will operate as their Primary Residence. If the dwelling unit is held in a personal or family trust, each trustee must sign the STR Permit application, and shall be held jointly and severally liable for any violation(s) of this Chapter; and

(ii) A limited liability company (LLC), limited partnership (LP), or limited liability partnership (LLP) owned by natural persons (not business entities), so long as at least one manager/member occupies the dwelling unit at which the STR will operate as their Primary Residence. Each manager/member of the LLC, LP, or LLP must sign the STR Permit application, and shall be held jointly and severally liable for any violation(s) of this Chapter.

Unless identified as an Existing STR by the City, the term "Owner" does not include a dwelling unit that is fully or partially owned as a timeshare, a business trust, corporation, general partnership, or any other business entity other than a LLC, LP, or LLP.

*Primary Residence* means a dwelling unit owned and occupied as the Owner's principal place of residence, where the Owner lives more than six (6) months per year. For purposes of this Chapter, an Owner can only have one Primary Residence at any given time.

*Short-Term Rental (STR)* means, unless otherwise exempt under Section 30.96.025 of this Chapter, the rental of a dwelling unit, or any portion thereof, for dwelling, lodging, or sleeping purposes, for a period of thirty (30) consecutive calendar days or less. For purposes of this Chapter, Home Exchanges and Long-Term Rentals (each defined by this Chapter) are not considered STRs, and are expressly exempt from the requirements of this Chapter under Section 30.96.025.

### **30.96.025 – Exemptions**

A. The following uses are exempt from the provisions of this Chapter:

1. Home Exchanges, as that term is defined in Section 30.96.020; and
2. Long-Term Rentals, as that term is defined in Section 30.96.020, to include (i) rentals for a fixed-term (e.g., annual) or periodic tenancy (e.g., month-to-month) totaling more than thirty (30) consecutive calendar days; and (ii) rentals for a month, as described below.

For purposes of this Section, a “rental for a month” must meet all of the following requirements to be considered exempt from the provisions of this Chapter:

- a. The rental of the dwelling unit, or portion thereof, is rented for a month. This includes a rental period that starts at the beginning of a calendar month and goes through the end of the same calendar month, or a rental period that starts on a certain day within the calendar month and goes through the prior day of the subsequent calendar month;
- b. The rental of the dwelling unit, or portion thereof, is reserved to the same renter for the entire rental period of a month; and
- c. Should the renter leave the dwelling unit, or the rented portion thereof, prior to the expiration of the monthly rental period, then the dwelling unit, or the rented portion thereof, shall not be re-rented for a new rental period prior to the expiration of the monthly rental period. If the dwelling unit, or the rented portion thereof, is re-rented prior to the expiration of the monthly rental period, then the rental of the dwelling unit, or the rented portion thereof, is no longer exempt from the provisions of this Chapter and becomes subject to compliance with the requirements of this Chapter.

An Owner may choose to rent their dwelling unit, or portion thereof, both as a STR subject to compliance with this Chapter, and as a Long-Term Rental exempt from the provisions of this Chapter, so long as the Owner applies for and obtains a valid and current STR Permit issued by the City in accordance with the terms of this Chapter. During those rental periods in which the dwelling unit, or portion thereof, is rented as a STR and is not considered exempt under this Section, the Owner shall be subject to all requirements of this Chapter, including the requirement to collect and remit Transient Occupancy Tax to the City.

B. In addition to an exemption from the provisions of this Chapter, the above uses under (A)(1) and (A)(2) of this Section are further exempt from the requirement to collect and remit Transient Occupancy Tax to the City in accordance with Chapter 3.12 of this Municipal Code.

### **30.96.030 – When a Short-Term Rental Permit is Required**

- A. Any person or entity operating a STR in the City of Del Mar must have a valid STR Permit issued by the City pursuant to Section 30.96.050 of this Chapter. Notwithstanding Section 30.96.060(A) and (B), the following properties have existing entitlements for visitor accommodations that are subject to the requirement to collect and remit Transient Occupancy Tax under Chapter 3.12 of this Municipal Code, but are not subject to the requirement to obtain a STR Permit pursuant to this Chapter:
1. Hotels in the Visitor Commercial Zone including the Best Western Premier (720 Camino del Mar), Del Mar Beach Hotel (1702 Coast Boulevard), Hotel Indigo (710 Camino del Mar), Hotel L’Auberge (1540 Camino del Mar), Les Artistes (944 Camino del Mar), and Secret Garden Inn (1140 Camino del Mar);
  2. L’Auberge Vacation Villas (1570 Camino del Mar) in the Hotel Specific Plan Zone; and
  3. Wavecrest Resort Timeshares (1400 Ocean Avenue) in the R2 Zone.
- B. A STR Permit will only be issued to the Owner of the dwelling unit.
- C. No person shall rent, offer to rent, or advertise a STR without a valid STR Permit.
- D. A STR Permit shall be valid for a period of two (2) years from the date of issuance, and must be timely renewed prior to the STR Permit expiration date every two (2) years thereafter to maintain a valid STR Permit for STR operations.
- E. The subletting of a STR is prohibited. Only an Owner with a valid STR Permit issued by the City is permitted to rent out a dwelling unit or portion thereof as a STR.
- F. A STR Permit shall not be transferred, sold or assigned to any other person or entity. Upon transfer of ownership of a dwelling unit at which an STR operates, the STR Permit shall automatically terminate and no STR may be operated at the dwelling unit until a new STR Permit is issued by the City.
- G. A new STR Permit is not required for changes in title to the dwelling unit resulting from inheritance or where an original Owner under the STR Permit remains an Owner under the new title. In such an event, notice of the change of title shall be provided to the City within thirty (30) days of such transfer.

### **30.96.040 – Application Requirements**

An application for a STR Permit, or renewal thereof, shall be filed on a form provided by the City, shall be signed by the applicant(s) under penalty of perjury, and must include

all of the following information, which shall be updated when there is any change to ensure that the City has current information on file at all times relating to the STR:

- A. Legal name, address, telephone number, and email address of each Owner and the address and Assessor's Parcel Number (APN) of the STR.
  1. Each Owner of the dwelling unit is required to sign the STR Permit application and acknowledge that (i) all information contained in the STR Permit application is true and correct; (ii) each Owner and the Designated Local Contact Person have reviewed, understand and are familiar with the requirements of this Chapter; (iii) each Owner and the Designated Local Contact Person are responsible for ensuring compliance with this Chapter; (iv) failure to comply with this Chapter and all applicable provisions of the Del Mar Municipal Code may result in suspension and/or revocation of a STR Permit; and (v) each Owner may be held jointly and severally liable for any violation(s) of this Chapter.
  2. If the dwelling unit is held in a personal or family trust, the trustee(s) must sign the STR Permit application and must acknowledge the information is true and correct in accordance with Section 30.96.040(A)(1).
  3. If the dwelling unit Owner is a LLC, LP, LLP, or other form of business entity operating as an Existing STR, each manager/member of the entity must sign the STR Permit application and must acknowledge the information is true and correct in accordance with Section 30.96.040(A)(1).
  4. Each Owner of a STR, or multiple Existing STRs, operating in the City shall disclose the name(s) and contact information for each person holding the legal, equitable, and/or beneficial interest of each of their respective STR ownership properties, as applicable.
  5. Except for Existing STRs, documentation that the STR will operate as a Primary Residence shall be demonstrated by providing proof of the Owner's STR address as follows:
    - a. Proof of address on at least two (2) of the following documents:
      - i. Federal and State tax returns
      - ii. Bank account
      - iii. Vehicle registration
      - iv. Driver's license
      - v. Voter registration
      - vi. Employment records
      - vii. Homeowner's tax exemption
    - b. If the Owner is a LLC, LP, LLP, or other form of business entity operating as an Existing STR, the Owner shall demonstrate proof of address by providing a current Certificate of Status, or similar

documentation demonstrating the business entity is active and in good standing with the state of formation.

6. Written consent from the homeowners' association (HOA), if applicable, or acknowledgement that there are no CC&Rs, private covenants, deed restrictions, or any other governing documents that prohibit or limit STR use of the dwelling unit.
- B. Commencing from the effective date of this Ordinance, the Owner of an Existing STR, which meets the definition of an Existing STR as defined in Section 30.96.020 of this Chapter, will be eligible to apply for a STR Permit. The Owner of an Existing STR must submit and have all STR Permit application requirements to the City within sixty (60) days following the effective date of this Chapter to be considered an Existing STR.
  - C. Legal name, address, telephone number, and email address of the Designated Local Contact Person, if different from the Owner, and written consent from the Designated Local Contact Person to act as the responsible person designated by the Owner to be available twenty-four (24) hours a day, seven (7) days a week, for the purpose of responding within thirty (30) minutes to complaints regarding the condition, operation, and/or conduct of occupants and guests of the STR and taking remedial action to resolve any such complaints.
  - D. Owner shall provide a Deed or Title Report for the STR property to confirm ownership interest in the property.
  - E. STR Rental Agreement and Site-Specific Details.
    1. Owner shall provide a copy of their standard STR rental agreement, which shall, at a minimum, include the following information: STR Permit number, STR address and information regarding the maximum STR occupancy, parking capacity, noise restrictions, trash, organics, and recycling disposal requirements, and rules and regulations that will be distributed to STR occupants and acknowledgment of receipt and review of the City's Good Neighbor Policy.
    2. Site plan and/or photos showing the number and location of designated off-street parking spaces for the exclusive use of the STR.
    3. Floor plan(s) showing the layout of the dwelling unit, including all bedrooms and bathrooms; and the location of fire extinguishers, smoke alarms, and carbon monoxide alarms.
    4. Acknowledgement that the STR Permit does not authorize STR lodging in non-dwelling units such as garages or vehicles (e.g., recreational vehicles, motor homes, travel trailers, truck campers, tent trailers), treehouses, tents and other temporary shelters.

5. Prior to the issuance or renewal of a STR Permit, Owner shall complete and submit, a self-certification inspection form on a form provided by the City and signed by Owner under penalty of perjury, acknowledging that the STR and property comply with all applicable laws, rules and regulations of the STR relating to life safety, including the provisions of this Chapter.
- F. Evidence of property liability insurance in the amount of at least One Million Dollars (\$1,000,000), combined single limit, which insurance shall be maintained during the entire term of any STR Permit issued by the City. Evidence of insurance renewal must be provided to the City before expiration of the policy.
- G. Each Owner shall jointly and severally agree to indemnify, hold harmless, and defend the City and its officials, employees and agents from any and all liability, actions, claims, damages, costs, and expenses of any kind whatsoever, including reasonable attorneys' fees and costs, which may be asserted by any person or entity arising from or relating to the issuance of a STR Permit or operation of a STR.
- H. Any other information as the City Manager, or designee, deems reasonably necessary to administer this Chapter.
- I. Payment of STR Permit application fee or renewal fee, as applicable, for initial application or STR Permit renewal in accordance with the fee schedule established by the City Council, which may be amended from time-to-time.

### **30.96.050 – Permit Issuance**

- A. STR Permits shall be issued on a first-come, first-served basis, except that an Existing STR Owner, which applies for a STR Permit in accordance with Section 30.96.040(B), shall be granted priority to obtain a STR Permit.
  1. Notwithstanding the permit issuance and locational requirements applicable to new STRs under Chapter 30.96, Existing STRs shall be accommodated as allowable uses in accordance with a valid STR Permit unless a termination of existing rights occurs upon any of the following: the transfer of ownership of the STR property, the STR Permit is not maintained in good standing, including a STR Permit that is not timely renewed prior to the date of STR Permit expiration, or the STR Permit is revoked due to non-compliance with any provision(s) of this Chapter. A change in title that is processed in accordance with Section 30.96.030(G) shall not be considered a transfer of ownership that would terminate rights to an Existing STR.
  2. Notwithstanding Sections 30.96.060(A)(3)(a), (A)(4) and (A)(5) of this Chapter, Existing STRs shall be accommodated as allowable uses with a valid STR Permit, regardless of whether the existing operations are non-conforming with respect to operation of more than one STR (on the same lot or separate lots), and/or whether the operations are not within a Primary Residence.

- B. The maximum number of STR Permits issued by the City shall be limited to 129 STRs, which is equivalent to five percent (5%) of the total number of dwelling units located in the City based on the 2020 United States Census data. Any future increase in capacity for new STRs shall be subject to processing an amendment by Ordinance subject to approval by the City Council and the California Coastal Commission.
1. STR Permits for new STRs shall be restricted to one (1) per Owner and Existing STRs shall be restricted in accordance with Section 30.96.050(B)(3). Once the maximum allowable number of STR Permits has been issued by the City (including Existing STRs and new STRs), the Owner of any applications submitted that would exceed the cap identified in this Section shall be placed on a waitlist that will be established based on the order the applications are filed and applications will be processed in the order in which the applications are received.
  2. Once a STR Permit becomes available for issuance, application submittals will be accepted by the City in the order appearing on the City's STR Permit waitlist. Person(s) listed on the City's STR Permit waitlist, who are contacted by the City to submit a STR Permit application, will have thirty (30) days from the date of notification by the City to submit a STR Permit application for consideration. If the person(s) contacted by the City do not submit a STR Permit application to the City within the required thirty (30) day period, that person(s) will be removed from the waitlist and the City will move on to notifying the next person appearing on the City's STR Permit waitlist.
  3. The Owner of an Existing STR may request a separate STR Permit for each Existing STR in operation by the Owner and registered with the City as of December 31, 2024 as stated in the STR Ordinance. If the number of Existing STRs exceeds the cap identified by this Section, then no additional STR Permits shall be issued by the City for new STRs until available capacity is reached within the cap through attrition (including, but not limited to, when existing rights are terminated for Existing STRs in accordance with Section 30.96.050(A)(1)).
- C. New STR Owners may not include a dwelling unit fully or partially owned as a timeshare, a business trust, corporation, limited partnership, general partnership, or other business entity other than a LLC, LP, or LLP.
- D. A STR Permit shall be issued by the City if the applicant meets the conditions and requirements of this Chapter 30.96.
- E. A STR Permit shall not be issued by the City if:
1. The maximum number of STR Permits issued by the City already meets or exceeds the Citywide cap on STRs or exceeds the maximum number of permits allowed per Owner as established by Section 30.96.050(B).

2. The STR is a new STR, which is proposed in a prohibited location as set forth in Section 30.96.060 of this Chapter, or in a location that would exceed the neighborhood cap on STRs established by Section 30.96.060(A)(5).
  3. The Owner has a pending enforcement action by the City for any violation of the Del Mar Municipal Code relating to the operation of a STR, unless the approval is required to resolve the enforcement action.
- F. Following the issuance of a STR Permit, the City will provide written, mailed notice of the STR Permit approval to all property owners located within 300 feet of the STR. Such notice shall include the address of the STR, number of bedrooms available for rent, number of available on-site parking spaces, and contact information for the STR's Designated Local Contact Person.
- G. STR Permits may be suspended, revoked, or not renewed by the City in accordance with Section 30.96.080 of this Chapter.

### **30.96.060 – STR Locational Requirements**

A. Residential Zones.

1. STRs may be permitted in the following residential zones:
  - a. Single dwelling unit zones  
  
Very low Density Residential (R1-40)  
Modified Low Density Residential (R1-14)  
Low Density Residential (R1-10)  
Low Density Residential-Beach (R1-10B)  
Medium Density Single Family Residential (R1-5)  
Medium Density Single Family Residential-Beach (R1-5B)  
Carmel Valley Precise Plan (CVPP)
  - b. Multiple dwelling unit zones  
  
Medium Density Single-Mixed Residential-East (RM-East)  
Medium Density Mixed Residential-West (RM-West)  
Medium Density Mixed Residential-Central (RM-Central)  
Medium Density Mixed Residential-South (RM-South)  
High Density Mixed Residential (R2)
2. New STRs that are not within a Primary Residence shall be prohibited.
3. STRs are a prohibited use within:
  - a. Multi-dwelling unit rental apartment development located in residential zones.

- b. Any dwelling units that are subject to deed restrictions or affordable housing covenants that limit rental of the unit to housing for specific income-restricted households.
  - c. An Accessory Dwelling Unit located in residential zones.
  - d. Non-dwelling units including, but not limited to, garages or vehicles or temporary shelters such as tents.
4. Except for Existing STRs with a valid STR Permit, the maximum number of STRs per lot shall be restricted to:
- a. Maximum of one (1) STR per lot developed with one dwelling unit, including lots developed with one primary dwelling unit and ADU development.
  - b. Maximum of one (1) STR per Owner on a lot that is developed with two dwelling units, including lots developed with two primary dwelling units and ADU development.
  - c. Maximum of ten percent (10%) of the total primary dwelling units on a lot developed with multi-unit condominium development (three or more units). Lots with condominium development must provide documentation of written consent to operate a STR by the homeowner's association (HOA).
5. The total number of STRs permitted shall be further limited as follows to minimize the potential for overconcentration:
- a. A maximum of sixty percent (60%) of the total number of STRs may be located in the North Beach neighborhood, which includes the R1-5B, R1-10B, RM-East and RM-West zones.
  - b. A maximum of twenty-five percent (25%) of the total number of STRs may be located in the South Bluff neighborhood, which includes the R1-40, R2, RM-South, and RC zones.
  - c. A maximum of fifteen (15%) of the total number of STRs may be located in the Hills neighborhood, which includes the R1-5, R1-10, R1-14, R1-40, and RM-Central zones and the northerly R2 zone located north of 15th Street.

B. Commercial Zones.

1. STRs may be permitted within the following commercial zones:
- Residential-Commercial (RC)
  - Central Commercial (CC)
  - North Commercial (NC)

Professional Commercial (PC)  
Visitor Commercial (VC)  
941 Camino del Mar Specific Plan (941SP)

2. STRs in commercial zones are subject to the requirements in Section 30.96.060(A)(2), (A)(4) and (A)(5) of this Chapter.
3. STR use is permitted in an Accessory Dwelling Unit (ADU) subject to the regulations in Chapter 30.91 of this Municipal Code, only where the ADU is used as a Primary Residence.
4. STRs are a prohibited use within:
  - a. The Beach Commercial (BC), Public Facilities (PF), Public Parkland (PP), Railroad Right-of-Way (RR), and Floodway zones.
  - b. Any dwelling units that are subject to deed restrictions or affordable housing covenants that limit rental of the unit to housing for specific income-restricted households.
  - c. Non-dwelling units including, but not limited to, garages or vehicles (e.g., recreational vehicles, motor homes, travel trailers, truck campers, tent trailers), treehouses, or temporary shelters such as tents.

### **30.96.070 – Operating Requirements**

STRs shall comply with all of the following operating requirements:

- A. Owner shall ensure that STR occupants and guests comply with all federal, state, and local laws, rules, and regulations including local regulations specific to noise, trash disposal, parking, coastal resources, and disclosure, inclusive of the following:
  1. Noise Control.
    - a. It shall be unlawful and shall constitute a public nuisance for any Owner of a STR to cause, allow or permit the emission or transmission of any loud noise from any sound-making equipment or sound-amplifying device to occur or be maintained at a STR, which may include, but is not limited to, the following: yelling, screaming, shouting, or other disturbing noises which unreasonably interfere with the peace and quiet of the nearby residents or members of the public. Owner shall ensure that STR occupants and guests comply with the noise provisions set forth in Del Mar Municipal Code Chapter 9.20 (Noise Regulations). DMMC Section 9.20.090 specifies that any noise that is plainly audible at a distance of fifty (50) feet between the hours of 10:00 p.m. and 8:00 a.m. is considered a prima facie violation.

- b. STRs are for overnight lodging. Hosting of weddings, receptions, corporate events, commercial functions, bachelor or bachelorette parties, and any other similar events or gatherings that have the potential to cause a public nuisance are strictly prohibited.
    - c. Guest hours at STRs shall be limited from 8:00 a.m. to 10:00 p.m. daily.
2. **Trash Disposal.** Trash, organic waste and recycling shall not be left or stored within public view, except in the appropriate container at a location that is designated for collection from 4:00 p.m. on the day prior to trash pick-up until up to 12:00 p.m. on the day following the day designated for pick-up. All trash and recycling shall be in approved receptacles pursuant to Del Mar Municipal Code Chapter 11.20 (Management of Solid Waste).
3. **Parking.** Owner shall limit the number of vehicles at the STR to the number designated in the STR Permit, which shall be determined by the City at the time of permit issuance based on the number of available on-site parking spaces. All garage, driveway, and designated on-site parking spaces shall be made available for the vehicles of STR occupants and guests. Vehicles shall not impede access to sidewalks and neighboring properties or driveways.
4. **Coastal Resource Protection.** The coastal resource protections in the California Coastal Act Chapter 3, Article 6, Section 30240 (Cal. Pub. Res. Code Section 30240) and the City's certified Local Coastal Program are not to be superseded or lessened in any way through implementation of the Chapter 30.96 STR regulations. The Owner shall disclose if the property contains environmentally sensitive habitat areas, and shall identify STR operational requirements to avoid potential impacts to coastal resources.
5. **Disclosure of Site-Specific STR Requirements and Contact Information.**
  - a. The primary STR occupant listed on the STR rental application and present at the STR during the STR rental period must be at least twenty-five (25) years of age, provide the Owner with a telephone number, and shall be accessible to the Owner or Local Designated Contact Person by telephone at all times during the STR rental period.
  - b. **Interior Display of STR Permit.** Owner shall affix the valid STR Permit provided by the City, which shall include reference to the City's Good Neighbor Policy and Transient Occupancy Tax rate, for interior display on the inside of the main entry door of the STR.
  - c. **Exterior Display of STR Notice.** Owner shall affix a sign on the exterior of the STR during operation, at a minimum size of 8.5 inches

by 11 inches, identifying the STR Permit number, name and contact information for the Designated Local Contact Person, the maximum number of occupants and guests permitted at the STR, and the maximum number of vehicles allowed at the property. The notice shall be located on-site in plain view of the general public and/or common areas and shall be maintained in good condition.

- d. Signs advertising availability of the STR for rent are not permitted on the property.
- B. **Minimum Night Stay.** STRs shall have a minimum night stay of three (3) consecutive calendar nights.
  - C. **Overnight Occupancy.** Owner shall limit overnight STR occupancy to a specific number of occupants, not to exceed two (2) persons per Bedroom plus two (2) additional persons per dwelling unit. All other applicable occupancy laws shall apply.
  - D. **Avoidance of Public Nuisance.** Owner shall ensure that the STR occupants and/or guests do not create a public nuisance. Owner shall ensure that any unreasonable noise disturbances, unruly gatherings, disorderly conduct, or other violations are timely abated.
  - E. **Prompt Response to Complaints.** Owner and/or the Designated Local Contact Person must be available twenty-four (24) hours per day, seven (7) days per week, to respond to complaints. Complaints received from the City, the Sheriff's Department, or a resident must be addressed within thirty (30) minutes of receipt of the complaint. It is not intended that an Owner or Designated Local Contact Person act as a peace officer or place themselves in an at-risk situation. In follow up, Owner shall provide documentation to the City on what steps were taken to mitigate the issue. Failure to timely respond to complaints is grounds for enforcement as set forth in Section 39.96.080 of this Chapter.
  - F. **Safety Compliance.**
    1. The STR property must meet basic life safety requirements, including but not limited to, maintaining operable smoke alarms and carbon monoxide alarms, fire extinguishers, and first aid kits.
    2. All Bedrooms within a STR shall meet all applicable California Building Code life safety requirements.
  - G. **Advertisements.** All STR advertisements, including those posted on or by web- or application-based hosting platform or third-party booking vendor websites, must include the STR Permit number provided by the City.

- H. Record Keeping, Audit. STR Owner shall maintain records related to use and occupancy of the STR for the purpose of inspection and/or audit to demonstrate compliance with Chapter 30.96.
- I. Payment of Transient Occupancy Tax. Unless otherwise exempt under Section 30.96.025 of this Chapter, Owner shall comply with all provisions of Del Mar Municipal Code Chapter 3.12 concerning the collection and remittance of Transient Occupancy Tax (TOT) for STR rentals. The TOT calculation shall include cleaning fees, resort fees, and all other fees collected as part of the total rent charged for the STR. If the STR Owner uses a web- or application-based hosting platform or third-party booking vendor, the hosting platform or booking vendor shall be considered an agent of the STR Owner for purposes of collecting and remitting the TOT to the City.

### **30.96.080 – Enforcement**

- A. It shall be unlawful for any person to fail to comply with any of the requirements of this Chapter or with any standards/conditions of a STR Permit, or to operate a STR within the jurisdiction of the City contrary to or in violation of any of the provisions of this Chapter, any applicable provisions of this Municipal Code, or any other applicable laws, rules, and regulations.
- B. Any person who violates any provision of this Chapter shall be subject to the fine amounts set forth in Government Code Section 36900(d), as that Section may be amended from time to time.
- C. Violations of this Chapter may be enforced by any method allowed in Del Mar Municipal Code Title 1 (General Provisions), Title 30 (Zoning Regulations), or any other applicable enforcement mechanism available to the City.
- D. Suspension or Revocation of STR Permit. In addition to any other remedy provided by this Chapter, a STR Permit may be suspended or revoked by the City Manager, or designee pursuant to this Section.
  - 1. The decision shall be based on at least one of the following grounds:
    - a. A material misrepresentation, false or misleading information was included on the application or renewal application for a STR Permit.
    - b. A violation of any applicable provision of the Del Mar Municipal Code or other applicable law relating to the operation of the STR.
    - c. An authorized official has given notification of existing health or safety violations on the STR property, or non-compliance with applicable laws, rules or regulations relating to fire, building, health or safety on the STR property.
    - d. An applicant or STR Permit holder is delinquent in the payment of any outstanding fees, assessments or taxes owed to the City related

to any property located in the City that is owned by the applicant, including, but not limited to, Transient Occupancy Taxes (TOT).

2. If a STR Permit is revoked, the Owner shall not operate a STR at the property for a period of twelve (12) months from the date of such revocation; and no STR Permit that is revoked may be transferred to any other person or entity to operate a STR at the property during such period of revocation.
3. The appeal procedures for the denial, suspension or revocation of a STR Permit are as follows:
  - a. A STR Permit applicant or STR Permit holder may request an administrative hearing to appeal the denial, suspension or revocation of a STR Permit by the City. The request for a hearing shall be submitted to the City Clerk within fifteen (15) days from the date the denial, suspension or revocation of the STR Permit is provided in writing.
  - b. The City Manager shall designate a fair and impartial administrative hearing officer to determine whether to uphold the City's decision to deny, suspend or revoke the STR Permit. Compensation for the hearing officer, if any, shall be paid by the City.
  - c. An administrative hearing shall be set for a date that is not sooner than thirty (30) days and not more than sixty (60) days from the date the request for the hearing is filed with the City, unless extended in writing by the City and the appellant. The appellant shall be notified of the time and place set for the hearing at least fifteen (15) days prior to the date of the hearing, unless the hearing date has been expedited.
  - d. The City and the appellant shall each submit all documents relating to the denial, suspension or revocation of the STR Permit that the respective party intends to discuss during the administrative hearing to the hearing officer and the other party at least seven (7) days in advance of the hearing date.
  - e. At the administrative hearing, the hearing officer shall only consider evidence that is relevant to determine whether the denial, suspension or revocation of a STR Permit is warranted. Courtroom rules of evidence shall not apply. Relevant hearsay evidence and written reports may be admitted whether or not the speaker or author is present to testify, if the hearing officer determines that the evidence is reliable. Admission of evidence and the conduct of the hearing shall be controlled by the hearing officer in accordance with the fundamentals of due process. The hearing officer may limit the total length of the hearing to one (1) hour, at the hearing officer's

discretion, and shall allow the appellant at least as much time to present its case as is allowed the City.

- f. The appellant shall be given the opportunity to testify and present witnesses and evidence concerning the denial, suspension or revocation of the STR Permit. The appellant may be represented by counsel. The City's case shall be presented by a Code Enforcement Officer or by any other authorized agent of the City.
- g. The hearing officer may continue the hearing and request additional information from the City or the appellant prior to issuing a written decision.
- h. After considering all testimony and evidence submitted at the hearing, the hearing officer may announce a decision orally, but in any event, shall prepare a written decision. The decision shall be provided to the parties within ten (10) days of the hearing and shall either uphold the denial, suspension or revocation of the STR Permit or withdrawal the denial, suspension or revocation of the STR Permit. The decision shall briefly state the reason for the conclusion of the hearing officer. The City shall serve the decision on the appellant. The decision of the hearing officer shall be final and shall not be subject to further appeal to the City.
- i. The failure of the appellant to appear at the administrative hearing shall result in the hearing officer issuing a final decision to uphold the City's denial, suspension or revocation of the STR Permit and the appellant's exhaustion of administrative remedies.

**SECTION THREE:**

This Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) (General Rule) because CEQA only applies to projects with the potential for causing a significant effect on the environment. There is no change in baseline environmental conditions or potential to cause a significant effect on the environment. On April 17, 2024, the City's CEQA consultant, Interwest Group, completed an Initial Study evaluation, which concluded that no environmental factors would be potentially affected by the STR Regulations contemplated by the City Council. The subsequent revisions to the regulations also would not result in a change in baseline environmental conditions or potential to cause a significant effect on the environment. A Notice of Exemption will be prepared identifying that the activity is covered by the common-sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment.

**SECTION FOUR:**

This Ordinance establishes STR Regulations that will accommodate Existing STR owners operating in the City of Del Mar prior to adoption of the Ordinance where the STR owner timely registers the existing STR with the City by December 31, 2024, and submits a STR Permit application within sixty (60) days of the effective date of the Ordinance which will be the date the California Coastal Commission grants final certification of the Ordinance.

Applications for all STRs will be accepted following the date this Ordinance takes effect. Permits for Existing STRs will be processed prior to applications for new STR Permits.

Prior to finalizing the Existing STR registry, the City will verify that the owner has provided proof of at least one of the approved documents listed on the City's voluntary registry webpage. This document should be provided to the City (and verified by the City) prior to the December 31, 2024 deadline.

The list of acceptable documents includes provision of at least ONE supporting document to demonstrate that the STR was in operation within the past ten years. Just one of the options below will suffice for supporting documentation:

1. Fully executed rental agreement that identifies the STR address; or
2. A City of Del Mar business license indicating the short-term rental business at the subject property; or
3. A federal or state income tax return specifying a STR business operation at the subject property. Please be sure to redact all sensitive personal information such as social security number; or
4. Printed or online advertising, or contracts, indicating actively advertised STR operations at the subject property; or
5. Other evidence of STR operations at the subject property within the past ten years may be submitted for consideration.

**SECTION FIVE:**

This Ordinance was introduced by the City Council on September 9, 2024.

**SECTION SIX:**

The City Clerk is directed to prepare and have published a summary of this Ordinance no less than five days prior to the consideration of its adoption and again within 15 days following adoption indicating votes cast.

**SECTION SEVEN:**

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is, for any reason, held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance.

**SECTION EIGHT:**

Upon adoption, the Ordinance will be submitted to the California Coastal Commission for certification as a Local Coastal Program Amendment. The Ordinance will take effect and be in force on the date that the California Coastal Commission takes action to unconditionally certify the Local Coastal Program Amendment.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Del Mar, California, held on the 23rd day of September 2024.

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Dave Druker, Mayor  
City of Del Mar

APPROVED AS TO FORM:

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Leslie E. Devaney, City Attorney  
City of Del Mar

ATTEST AND CERTIFICATION:

STATE OF CALIFORNIA  
COUNTY OF SAN DIEGO  
CITY OF DEL MAR

I, SARAH KRIETOR, Administrative Services Manager/City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY, that the foregoing is a true and correct copy of Ordinance No.1010, which has been published pursuant to law, and adopted by the City Council of the City of Del Mar, California, at a Regular Meeting held the 23rd day of September, 2024, by the following vote:

AYES: Mayor Druker, Councilmembers Martinez, Quirk, and Worden  
NOES: Deputy Mayor Gaasterland  
RECUSE: None  
ABSENT: None  
ABSTAIN: None

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Sarah Krietor, Administrative Services  
Manager/City Clerk  
City of Del Mar