

PROJECT DESCRIPTION

Zoning Text Amendment No. 2024-04:

• A request by the City of Visalia to amend Visalia Municipal Code Title 17 (Zoning Ordinance), Chapter 17.32.166 Short-Term Rentals to add language requiring applicants to reapply annually and to include fines for non-compliance

- Zoning: Residential Zones (all R-1 and R-M)
- Location: Citywide

City Council Work Session

- Short-Term Rental (STR) work session held September 3, 2024.
 - Staff returned to the City Council with an update on the STR Ordinance "roll out" thus far.
 - Staff presented:
 - »The outreach performed to reach STR operators,
 - »How the implementation process returned only 45 applications by the time staff drafted the report, and,
 - »Presented alternative measures to ensure further compliance with the ordinance as Council had directed six-months prior.
- Council directed staff to amend the STR Ordinance (Chapter 17.32.166) to:
 - Address compliance fee assessment,
 - Incorporate annual permitting requirements, and,
 - To solicit software services that may help in capturing noncompliant STRs
- Zoning Text Amendment (ZTA) No. 2024-04 is the city-initiated request to address revisions as directed by the City Council.

Planning Commission Hearing

- Revisions to Short-Term Rental (STR) ordinance presented to Planning Commission November 12, 2024.
- At the meeting Staff:
 - Presented revisions to the STR Ordinance.
 - Received comment and responded to questions by the Planning Commission.
 - Received no public comment.
- Planning Commission voted 5-0 to recommend the City Council adopt the proposed changes unamended.

- Addition of Section 17.32.166.E (Enforcement)
- New section coordinated with the Finance Department to:
 - Identify enforcement language that explicitly identifies the penalty fee assessed for failure to comply with the STR ordinance and/or fail to apply for all the necessary applications / permits.
 - Penalty fees similar to the Solid Waste provisions of the municipal code.
 - The penalty amounts noted in the STR Ordinance for noncompliance, after first notice, are \$100, \$200, and \$500.

Section 17.32.166 will be revised as follows:

E. Enforcement:

The City, in its sole discretion, may take enforcement action pursuant to the administrative code procedure described in Chapters 1.12 and 1.13 of the Visalia Municipal Code.

Any person convicted of any infraction of this chapter shall be punished by:

- 1. A fine not exceeding one hundred dollars (\$100.00) for a first violation;
- 2. A fine not exceeding two hundred dollars (\$200.00) for the second violation of this chapter within one year; and
- 3. A fine not exceeding five hundred dollars (\$500.00) for each additional violation of this chapter within one year. Each day a violation continues shall be regarded as a new and separate offense.

- Addition of Section 17.32.166.F (Annual renewal)
- Establishing an annual renewal STR permit process ensures that operators of STRs are fully aware and in compliance with the adopted regulations.
- The Planning Division will notify STR operators to reapply for their permit.
- The requirement for annual renewal will be one calendar year from the date the STR application is approved, with a 30-day deadline for applications to be submitted.
- Business Tax Division will continue to notify their customers regarding business tax bi-annual renewals as they currently do.

Section 17.32.166 will be revised as follows:

F. Annual renewal:

1. A Renewal Short-Term Rental Permit application accompanied by the Short-Term Rental Permit renewal fee and all supporting materials, verifications, and signatures required by said application, shall be submitted to the Planning and Community Preservation Departme annually prior to expiration of the Short-Term Rental Permit. Renewal applications shall be submitted no earlier than the 60 calendar days prior to expiration and shall be accepted up a 30 calendar days after the date of expiration of the existing Short-Term Rental Permit.

Section 17.32.166 will be revised as follows:

F. Annual renewal:

2. If a Renewal Short-Term Rental Permit application is received prior to the expiration of the issued Short-Term Rental Permit, and in no case later than 30 calendar days after the expiration of the Permit, expiration of the issued Short-Term Rental Permit shall be stayed until the Renewal Short-Term Rental application is acted on by the Director. If the renewal application is approved, the issuance month and day for the Short-Term Rental Permit shall be the same as the issuance month and day of the previous Short-Term Rental Permit; for example, if the previous Short-Term Rental Permit was issued on January 1, 2025, the renew Short-Term Rental Permit issuance date shall be January 1, 2026.

Section 17.32.166 will be revised as follows:

F. Annual renewal:

3. If a Renewal Short-Term Rental Permit application is not received prior to the expiration of a issued Short-Term Rental Permit, or in no case later than 30 calendar days after the expiration of the Permit, all short-term rental activities at the property must cease, and a New Short-Term Rental Permit shall be required for continued or future use of the unit as a Short-Term Rental, and all requirements of a New Short-Term Rental Permit shall apply.

RECOMMENDATION

STAFF RECOMMENDS:

Adopt the first reading of Ordinance No. 2024-12 for Zoning Text
 Amendment No. 2024-04, which amends VMC Section 17.32.166 Short Term Rentals.

BASIS FOR FINDINGS

- The Zoning Text Amendment is consistent with the goals, objectives, and policies of the City's General Plan.
- The Zoning Text Amendment amends established objective standards to adequately address operational standards for short-term rentals, consistent with the stated goals of the City of Visalia General Plan and Zoning Ordinance to preserve and promote the public health, safety, and welfare of the city.

