City Council Agenda Action Sheet

Council Meeting Date: April 24, 2018  
Date Prepared: April 19, 2018

Prepared by: Thomas Last, Community Development Director

Title: Second reading of Ordinance 792 amending various sections of the Development Code, including short-term rental units.

Recommended Motion: Conduct the second reading, by title only, of Ordinance 792 amending various sections of the Development Code, Title 17 of the Grass Valley Municipal Code.

Agenda: Consent

Background: At the City Council meetings of April 10, 2018, the Council conducted a public hearing, held the first reading, and introduced an Ordinance amending the Grass Valley Development Code. The purpose of this agenda item is to conduct the second reading. The Council approved all the recommendations from the Planning Commission except two. The first change eliminated the limit of 20 vacation rental homes in the City. The second change eliminated the proposal to expand the list of allowed uses in the Open Space zone. Council requested staff return later with other options to address this issue. Both changes are shown as strikeouts in the attached ordinance.

Reviewed by: City Manager

Exhibits:
1. Ordinance with Exhibit A, text amendments and 2018 Development Code Matrix
ORDINANCE NUMBER 792

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRASS VALLEY AMENDING THE GRASS VALLEY DEVELOPMENT CODE, TITLE 17 OF THE CITY MUNICIPAL CODE

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GRASS VALLEY AS FOLLOWS:

SECTION 1. The Grass Valley Development Code is hereby amended as shown in Exhibit A.

SECTION 2. In compliance with Chapter 17.94 of the City Development Code, the City Council adopts the following findings in support of this amendment to the Development Code:

1. The proposed amendment is consistent with the General Plan. *Rationale: The 2020 General Plan identifies many policies now reflected in the Development Code. Some of the proposed changes are minor clean up items that do not conflict with any specific General Plan policy. Other changes define allow new uses, permit compatible uses within existing zones, and the streamline the code violation process and permit revocation requirements, which further the intent of the General Plan goals, policies, and objectives.*

2. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City. *Rationale: The proposed amendments include minor clarifications and establish and uses with specific operating standards intended to reduce or eliminate any significant changes that could be detrimental to the public interest, health, safety, convenience, or welfare.*

3. The proposed amendment is internally consistent with other applicable provisions of the Development Code. *Rationale: The proposed changes create internal consistency with other provisions of the Development Code by correcting references and further defining uses.*

4. On January 16 and February 20, 2018, the Grass Valley Planning Commission conducted public hearings on the proposed amendments and provided a recommendation of approval as noted in Exhibit A.

5. On April 10, 2018, the City Council conducted a public hearing on the proposed amendments and recommended approval of the changes as proposed in Exhibit A.
6. The City adopted a Negative Declaration for the Development Code on April 11, 2007. The proposed amendments include some minor corrections and clarifications for internal consistency; define existing uses and provide new uses to be permitted in the Traditional Community Development Zones. Based on the nature of the amendments, the project has been deemed Statutorily Exempt from environmental review pursuant to Section 15601 b.3 of the California Environmental Quality Act.

   **SECTION 3.** The City Council amends the City Development Code, Title 17, through its approval of this ordinance and further adopts and integrates all of the changes to the Development Code, Title 17, of the City Municipal Code as referenced and noted in Exhibit A.

   **SECTION 4.** This ordinance shall take effect thirty (30) days from and after the date of its adoption and a summary of said ordinance shall be published once within fifteen (15) days upon its passage and adoption in The Union, a newspaper of general circulation printed and published in the Grass Valley Area.

   INTRODUCED and first read on the 10th day of April 2018

   PASSED AND ADOPTED this 24th day of April 2018, by the following vote:

   AYES: ____________________________
   NOES: ____________________________
   ABSENT: _________________________
   ABSTAIN: _________________________

   Howard Levine, Mayor

   ATTEST: ____________________________
   Kristi K. Bashor, City Clerk

   APPROVED AS TO FORM: ____________________________
   Michael Colantuono, City Attorney

   PUBLISH DATE: ____________________________
EXHIBIT A

SHORT-TERM RENTAL AMENDMENTS

17.44.040 - Bed and Breakfast Inns (B& Bs)

Where allowed by Article 2 (Zones, Allowable Land Uses, and Zone Standards), a bed and breakfast inn shall comply with the requirements of this Section.

A. Permit requirement. If permitted by right in the Zone District, no permit is required. The Director may issue a Minor Use Permit, if required by the Zone District, for the conversion of an existing dwelling into a bed and breakfast inn in compliance with this Section.

B. Standards for bed and breakfast inns.

1. If required by the Zone District, the property owner that seeks to convert an existing dwelling into a bed and breakfast inn shall obtain approval of a Minor Use Permit pursuant to Section 17.72.060 of the Grass Valley Municipal Code;

2. A bed and breakfast inn shall require a business license;

3. A bed and breakfast inn shall pay applicable transient occupancy taxes pursuant to Chapter 3.16 of the Grass Valley Municipal Code;

4. The owner or manager shall occupy and reside in the bed and breakfast inn;

5. Food services provided to guests shall comply with County Environmental Health requirements;

6. A bed and breakfast inn with 5 guest rooms or more, or the capacity for 10 or more total occupants, including the permanent residents, shall meet current fire and building codes, and accessibility requirements;

7. Off-street parking shall be provided as required by Section 17.36.040 (Number of Parking Spaces Required) for a bed and breakfast inn; and

8. The bed and breakfast inn shall operate without unduly interfering with the surrounding residential neighborhood.

17.44.205 – Short Term Rentals

This Section provides standards for short term rentals where allowed by Article 2 (Zones, Allowable Land Uses, and Zone Standards).

A. Purpose. This Section provides standards for vacation rental homes and hosted short term rental units as an alternative to hotels, motels, and bed and breakfast inns and establishes a Minor Use Permit requirement and permit procedures for vacation rental homes. The intent of this Section is to minimize impacts on surrounding residential areas and to protect the residential character of the neighborhoods.

B. Standards for hosted short term rental units.

1. No more than two (2) rooms per property shall be rented at the same time;

2. A hosted short term rental unit shall require a business license;

3. The owner or manager of a hosted short term rental unit shall be subject to applicable transient occupancy taxes, pursuant to Chapter 3.16 of the Grass Valley Municipal Code;
4. The owner or manager shall reside in the home and shall occupy the hosted short term rental unit during rental periods;

5. The owner or manager shall post up-to-date information in the rented room to assist renters in dealing with natural disasters, power outages, and other emergencies;

6. Food services provided to renters shall comply with County Environmental Health requirements;

7. No exterior signs advertising the business shall be allowed on the property;

8. Off-street parking shall be provided as required by Section 17.36.040 (Number of Parking Spaces Required) for a hosted short term rental unit;

9. Renters shall comply with the noise regulations in Chapter 8.28 of the Grass Valley Municipal Code; and,

10. The hosted short term rental shall operate without unduly interfering with the surrounding residential neighborhood.

C. Standards for vacation rental homes.

1. The property owner of a vacation rental home shall obtain approval of a Minor Use Permit pursuant to Section 17.72.050 of the Grass Valley Municipal Code. The City will allow a maximum of 20 Minor Use Permit for vacation rental homes with the City's limits. The City's limits for vacation rental homes with the City's limits was reduced from 30 to 20 in 2017.

2. A vacation rental home shall require a business license;

3. The owner or manager of a vacation rental home shall be subject to applicable transient occupancy taxes, pursuant to Chapter 3.16 of the Grass Valley Municipal Code;

4. The owner or manager must live within 30 miles of the vacation rental home. The owner shall provide to the City as part of the Minor Use Permit, the name and telephone number of the local contact person who shall be responsible for responding to questions or concerns about the operations of the vacation rental home. The local contact person shall be available to accept and immediately respond to telephone calls on a 24-hour basis at all times the vacation rental home is rented or occupied;

5. The owner shall post up-to-date information in the rented room to assist renters in dealing with natural disasters, power outages, and other emergencies;

6. No exterior signs advertising the business shall be allowed on the property;

7. Off-street parking shall be provided as required by Section 17.36.040 (Number of Parking Spaces Required) for a vacation rental home;

8. A vacation rental home with five or more guest rooms, or capacity for 10 or more total occupants, including permanent residents, shall meet current fire and building codes, and accessibility requirements;

9. Renters shall comply with the noise regulations in Chapter 8.28 of the Grass Valley Municipal Code; and,
10. The vacation rental home shall operate without unduly interfering with the surrounding residential neighborhood.

D. Violations; Revocation of Permit; Penalties. The following steps are intended to provide a streamlined compliance and permit revocation process for persons violating the provisions of this Section. This process is intended to protect residential neighborhoods from conditions that can negatively impact the general health, safety and welfare of the City’s residents that are created when persons fail to abide by the rules, requirements, and regulations of their Minor Use Permit and the Municipal Code. To the extent the provisions of this Section conflict with provisions elsewhere in the Grass Valley Development Code, the provisions in this Section shall control and take precedence.

1. Violations and noncompliance. Failure by the permittee to comply with any requirement imposed by this Section or any requirement or condition imposed by the Minor Use Permit (“MUP”) shall constitute a violation of the MUP and shall be grounds for its suspension, non-renewal, and/or revocation, in the city manager’s discretion, depending on the nature or severity of the violation, the permittee’s failure to correct a noticed violation, or on repeated violations by the permittee, even if such violations are corrected.

2. Notice of Violation. Upon discovery that a violation exists, the city manager shall issue a Notice of Violation to the Permittee, which Notice shall describe the nature of the violation and the date on which it occurred and cite the specific Permit requirement or Code Section is alleged to have been violated. Said Notice of Violation shall be personally served or sent by U.S. certified mail. The Permittee shall have ten (10) days of the date of the Notice within which to correct the violation(s), unless in the discretion of the, the nature of the violation requires the Permit be immediately suspended.

3. Right to Appeal. The right to appeal shall terminate on the tenth calendar day after the date of the Notice or, if the tenth day falls on a day that City Hall is closed, on the next business day. An appeal shall be filed with the City Clerk and be accompanied by the filing fee identified in the City’s Planning Fee Schedule.

4. Appeal Hearing and Rules of Evidence -
   a. The city manager or designee shall hold the hearing during ordinary business hours in a room in City Hall;
   b. Oral evidence shall be taken only under oath or affirmation. The city manager or designee shall have authority to administer oaths and to receive and rule on admissibility of evidence;

5. Following a hearing with the city manager where a permit is revoked, the owner may reapply for a new permit no sooner than one (1) year after the date of revocation. Revocation shall not constitute a waiver of the fees and taxes due under the MUP at time of revocation.

6. Penalties.
   a. Each day in which the property is used in violation of any part of this ordinance shall be considered a separate violation;
   b. Any person who violates any provision of this Section is guilty of a misdemeanor.
   c. Any short term rental establishment operated, conducted or maintained contrary to the provisions of this Section shall be unlawful and declared to be a public nuisance, and the city may, in addition to or in lieu of prosecuting a criminal action hereunder, commence an action or actions, proceeding or proceedings, for the abatement, removal and enjoinder thereof, in the manner provided by law, and shall take such other steps and shall apply to such court or courts as may have jurisdiction to grant such relief as will abate or remove such short term
rental establishments and restrain and enjoin any person from operating, conducting or maintaining a short term rental establishment contrary to the provisions of this Section.

d. The penalties set forth herein are cumulative and in addition to all other remedies, violations and penalties set forth in this chapter, or in any other ordinances, laws, rules or regulations of the City of Grass Valley, Nevada County and the State of California, including, without limitation, administrative enforcement pursuant to Chapter 1.14 of this Code.
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**List of parking**

Ensure proper parking is provided for each guest room.

2-9
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