DATE:       June 28, 2022

TO:         Mayor and Council Members

FROM:       Housing Protection Department

SUBJECT:    Public Hearing to Consider Amendments to Inglewood Municipal Code Chapters 8 and 12 including Zoning Code Amendment 2018-01 (ZCA-2018-01) to Establish Short Term Rental Regulations; and Resolution Establishing Short Term Rental Fees

RECOMMENDATION:
It is recommended that the Mayor and Council Members conduct a public hearing to consider establishing short term rental regulations and fees by taking the following actions:

1. Introduce an ordinance amending Inglewood Municipal Code Chapters 8 (Businesses, Trades, and Professions) and 12 (Planning and Zoning), including Zoning Code Amendment 2018-01 (ZCA-2018-01) to establish Short Term Rental Regulations,

2. Adopt a resolution to establish Short Term Rental Registration Permit Fees to be included in the Master Fee Schedule.

BACKGROUND:
Advances in technology by host platforms (AirBNB, VRBO, HOMEAway, etc.), have made it increasingly convenient for persons to engage in the short term rental (STR) of dwellings as a business. As such, it is essential to establish short term rental regulations to mitigate the impacts of such activities on residential and mixed use neighborhoods. Furthermore, adopting a comprehensive approach to short term rental activities allows the City Council to provide long-term Inglewood residents the opportunity to supplement their household income by benefiting from the city’s desirability as a sports entertainment destination center.

Our intent is to craft and codify regulations that will encourage tourism, while preserving the availability of housing stock. Concurrently we seek to create an enforcement structure to maintain the tranquility, character and integrity of our residential neighborhoods while allowing licensed short term rentals in the city.

On September 6, 2017, an STR overview was presented to the Planning Commission, describing the ways in which nearby municipalities use policies to implement and regulate STRs. The presentation also included a discussion of the STR benefits, issues and recommendations.

On July 11, 2018, the Planning Commission approved Resolution No. 1811, recommending the City Council approve Zoning Code Amendment 2018-01 (ZCA 2018-01) to establish STR Regulations.
On April 21, 2020, the City Council set a public hearing for May 19, 2020, to consider the zoning code amendment. At the request of staff, the public hearing was continued to May 26, 2020, and subsequently to June 23, 2020, July 21, 2020, and July 28, 2020. On July 28, 2020, the City Council pulled the item for staff to conduct additional research.

On September 22, 2020, the City Council set a public hearing for October 6, 2020, and it was continued to October 27, 2020, to consider the zoning code amendment.

On February 1, 2022, the City Council adopted an uncodified ordinance (Ordinance No. 22-05) imposing a temporary moratorium on the establishment of further short-term rental use in the City of Inglewood, the prohibition of party-houses, and the establishment of a requirement for Host Platforms to immediately remit Transient Occupancy Taxes to the City for all Short Term Rentals operated in the City.

On March 15, 2022, the City Council held a public hearing and extended Ordinance No. 22-05 for an additional 10 months and 15 days (or upon the effective date of a short term rental ordinance, whichever is first).

During this time, Staff has continued to research best practices from other jurisdictions who have successfully regulated short term rental uses in preparation for submitting this report to the City Council and public. The program is tailored to the City of Inglewood’s dynamics and needs.

**DISCUSSION:**

A short-term rental is a dwelling, in part or in whole, that is rented out for 30 days or less for compensation. It is estimated that there are over 100 websites that provide platforms where individuals can advertise and rent out their homes and spare bedrooms to the public. These platforms include, but are not limited to Airbnb, Vacation Rentals.com, and HomeAway.com.

Typically, STRs are occupied in durations ranging from a few days up to several weeks. It is estimated that there are over 42,000 STRs in Los Angeles County. Due in large part to the omnipresence provided by the Internet, STRs have rapidly increased numerically in recent years. Staff anticipates the number of STRs will continue to increase due to the activities at the Kia Forum, YouTube Theater, SoFi Stadium, NFL Networks and the opening of the Intuit Dome basketball arena in 2024.

Currently, the Inglewood Municipal Code (IMC) does not contain regulations for the STR of individual rooms or entire dwellings in residential zones. While there is a residential rental license, it has typically been applied to traditional rental arrangements, which are subject to traditional state rental laws. Therefore, Planning staff has consistently determined that it is not a permitted use in the IMC. Research has established that STR use is operational in the City.

Staff analyzed STR regulations in other California jurisdictions where residents can advertise and rent out their spare bedrooms and entire homes. While some local cities, such as Redondo Beach, Hermosa Beach, and Palos Verdes Estates, have banned STRs entirely, other municipalities, such as Pasadena, Santa Monica, and Los Angeles, have opted to allow and regulate STRs in order to
receive lawful Transient Occupancy Taxes (TOT) from those who increasingly choose to use STRs over hotels.

All Host Platforms will be required to provide the Short Term Rental Division a list of addresses that are advertising their property as an STR. This mandate will allow staff to monitor properties functioning as an STR pursuant to the ordinance, and identify properties that are in violation so enforcement measures can ensue.

Staff has drafted an ordinance to regulate short term rentals that includes the following:

**STR Permit Categories:**

1. **Short Term Rental Hosted** – Dwelling Unit rented in part for which the Short Term Rental Host rents out a room and remains in the Dwelling Unit during the Stay.

2. **Short Term Rental Unhosted** – Entire dwelling unit rented for which the Host is not required to remain in the dwelling unit during the stay.

**STR Dwelling Units:**

1. **Primary Residence** – The permanent and true Dwelling Unit where the STR Host resides for a minimum of nine (9) months out of a 12 month period.

2. **Vacation Rental** – A Dwelling Unit that is not the primary residence of the STR Host, and meets the following qualifications: 1) Host must be an Inglewood resident for the last 10 consecutive years prior to submitting an STR application; 2) Host’s primary residence must also be in the City of Inglewood, which they have owned for the last five consecutive years prior to submitting an STR application; and 3) Host must own the vacation rental for at least 365 consecutive days prior to submitting an STR application.

**STR Property Types:**

1. **Single Family Homes/Condominiums** – Must be owned by a natural person (as opposed to a business entity). If governed by a Home Owners Association (HOA), written authorization from the HOA is required.

2. **Two – Four Units on a Parcel** – Must be owned by a natural person. The owner’s primary residence must be the on the property.

3. **Five or More Units on a Parcel** – Are not eligible to be used as an STR.

4. **Accessory Dwelling Units** – Are not eligible to be used as an STR.

Expanding the eligibility of property types that can operate as an STR provides an opportunity to the “mom and pop” property owners to supplement income that may have been impacted by the pandemic. Establishing a residency requirement ensures that STR hosts are long term residents
and neighbors thoroughly invested in the Inglewood community. All potential hosts will be required to maintain their primary residency within the city to obtain an STR permit. Regulating STR uses will also enable the City to capture now lost Transient Occupancy Tax (TOT) revenues, which equates to 15.5% of the rental charges.

To ensure the adherence to quality of life, health and safety measures, the proposed ordinance will be inclusive of enforcement regulations that will be applicable to permitted and unpermitted STR uses. Fines and penalties for violations of the proposed ordinance will be consistent with California Senate Bill 60.

Based on recent information provided by Host Compliance LLC, there are approximately 500 STRs operating in the City of Inglewood under various STR platforms. The number of recently created housing opportunities under the Crenshaw Imperial and Westchester Veterans Transit Oriented Development (TOD) Plans (adopted in December 2022) is anticipated to substantially outweigh this limited loss of resident occupied dwelling units. Additionally, in 2016, the City adopted the Downtown Fairview Heights (DT/FV) TOD Plan, which created new housing opportunities totaling approximately 2,700 new units.

Fee Structure

In addition to regulations, staff seeks to establish short term rental fees pursuant to Government Code Section 66016 - “(b) Any action by a local agency to levy a new fee or service charge or to approve an increase in an existing fee or service charge shall be taken only by ordinance or resolution. The legislative body of a local agency shall not delegate the authority to adopt a new fee or service charge, or to increase a fee or service charge.”

The tables to follow (page 5) outline the Short Term Rental Permit Fees that are based on the anticipated resources and tasks staff will need to register and process applicants seeking a Short Term Renal Permit. It does not account for other assignments, resources, and entire salary costs that will be dedicated to monitoring and enforcing Short Term Rental Regulations. Staff has provided a low, mid, and high estimate regarding the number of Short Term Rental units in the city.
### Table 1: Short Term Rental Permit Fees

<table>
<thead>
<tr>
<th>Department</th>
<th>Hours/Application</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Protection Dept</td>
<td>3.35</td>
<td>302.30</td>
</tr>
<tr>
<td>Finance Dept</td>
<td>0.15</td>
<td>$15.95</td>
</tr>
<tr>
<td>ECD Dept</td>
<td>0.75</td>
<td>$95.99</td>
</tr>
<tr>
<td>Police Dept</td>
<td>.25</td>
<td>$49.81</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>$464.05</strong></td>
</tr>
</tbody>
</table>

### Table 2: Estimated M&O Costs to Administer STR Regulations

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>$15,000</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>$15,000</td>
</tr>
<tr>
<td>Postage</td>
<td>$15,000</td>
</tr>
<tr>
<td>Training</td>
<td>$7,500</td>
</tr>
<tr>
<td>Contract Services</td>
<td>$100,000</td>
</tr>
<tr>
<td>Special Expense</td>
<td>$35,000</td>
</tr>
<tr>
<td>Printing &amp; Photocopy</td>
<td>$7,500</td>
</tr>
<tr>
<td>Xerox and Maintenance</td>
<td>$100</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$195,100</strong></td>
</tr>
</tbody>
</table>

### Table 3: Annual Short Term Rental Registration/Renewal Permit Fees

<table>
<thead>
<tr>
<th># of Short Term Rentals</th>
<th>Estimated Fee Cost for M&amp;O</th>
<th>Estimated Cost to Process an Application/Registration</th>
<th>Total Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>500</td>
<td>$390.20</td>
<td>$464.05</td>
<td>$854.25</td>
</tr>
<tr>
<td>750</td>
<td>$260.13</td>
<td>$464.05</td>
<td>$724.18</td>
</tr>
<tr>
<td>1000</td>
<td>$195.10</td>
<td>$464.05</td>
<td>$659.15</td>
</tr>
</tbody>
</table>

Staff is requesting that the City Council approve a reduction in the fees for the initial year, to allow further data to be collected for a more comprehensive cost allocation study. As such, it is
recommended that the fees listed below be established for the following Short Term Rental permit categories, and included in the Master Fee Schedule:

1. **Primary Residence Hosted** - $500 – Host rents out a room and remains in the Dwelling Unit during the Stay. This permit category is only eligible for the Host’s primary residence and may operate the STR for 365 days per year.

2. **Primary Residence Unhosted** - $600 – Entire dwelling unit rented for which the Host is not required to remain in the dwelling unit during the stay. This permit category is only eligible for the Host’s primary residence and limits the operation of the STR to a maximum of 90 days per year.

3. **Vacation Rental Unhosted** - $600 – Subject to specific residency and ownership contingencies, an entire dwelling unit rented for which the Host is not required to remain in the dwelling unit during the stay. This permit category is eligible for a Host’s second property, and limits the operation of the STR to a maximum of 90 days per year.

The cost to appeal a decision to the Permits and Licenses Committee will remain $350, as currently stipulated in the City’s Master Fee Schedule.

**General Plan Consistency**
The California Planning and Zoning Law, Government Code Section 65850 allows that the legislative body of any county or city may, pursuant to this chapter, adopt ordinances that do any of the following: (a) “Regulate the use of buildings, structures, and land as between industry, business, residences, open space…..” The proposed Zoning Code Amendment is consistent with all provisions of the General Plan in that it: 1) Provides for the orderly development and redevelopment of the City while preserving a measure of diversity among its parts; 2) Allocates land in the City to satisfy the multiple needs of residents; and 3) Promotes the maintenance, rehabilitation and modernization of the City’s housing stock.

**Environmental Determination**
Pursuant to the California Environmental Quality Act (“CEQA”), California Public Resources Code section 21000 et seq.; and the CEQA Guidelines, 14 California Code of Regulations section 15000 et seq., City staff has determined that the proposed Code Amendment to establish STR regulations is exempt from further review under CEQA because it would not “result in a direct or reasonably foreseeable indirect physical change in the environment” (CEQA Guidelines section 15060(c)(2)), because it is exempt from environmental review pursuant to the “common sense exemption” (CEQA Guidelines section 15061(b)(3)), which exempts a project from CEQA “[w]here it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment,” and because the proposal qualifies for the categorical exemption established by CEQA Guidelines section 15305, which applies to “minor alterations in land use limitations.”

A Notice of Exemption was prepared in accordance with the California Environmental Quality Act (CEQA) stating that the project is exempt from further environmental review (EA-CE-2018-61), a copy of which has been available for review in the Planning Division office located on the
fourth floor of City Hall. An electronic copy is available by email request to mwilcox@cityofinglewood.org.

COMMISSION COMMENTS AND RECOMMENDATION:
Recommended for approval by the Planning Commission on July 11, 2018, pursuant to Resolution No. 1811.

FINANCIAL/FUNDING ISSUES AND SOURCES:
The STR Program is projected to generate approximately $250,000 in its initial/inaugural year of regulations. Funds will be deposited as part of General Fund revenues and available for staffing time required to implement the program.

DESCRIPTION OF ANY ATTACHMENTS:
Attachment No. 1 - Ordinance
Attachment No. 2 - Resolution

PREPARED BY:
Yakema Decatur, Housing Protection Department
Alicia Fong, Division Manager - Short Rental Division

COUNCIL PRESENTER:
Yakema Decatur, Housing Protection Department
APPROVAL VERIFICATION SHEET

DEPARTMENT HEAD APPROVAL: [Signature]
Yakema R. Deenir, Housing Protection Deputy Director

CITY MANAGER APPROVAL: [Signature]
Artie Fields, City Manager
ATTACHMENT NO. 1
ORDINANCE NO.: 22-______

AN ORDINANCE OF THE CITY OF INGLEWOOD, CALIFORNIA,

ADDING ARTICLE 11 (SHORT TERM RENTAL REGULATIONS) TO
CHAPTER 8 (BUSINESSES, TRADES, AND PROFESSIONS) TO
REGULATE SHORT TERM RENTAL AND VACATION RENTAL UNITS;
AND AMENDING CHAPTER 12 (PLANNING AND ZONING).

WHEREAS, there is a shortage of affordable housing throughout the State of California, including the City of Inglewood; and

WHEREAS, advances in technology (AirBNB, VRBO, HomeAway and other similar websites, collectively “Online Platforms” or “Platform(s)”) have made it increasingly popular for persons to engage in the short term rental of dwellings as a business and thereby potentially removing long-term housing from the market; and

WHEREAS, the City must preserve its available housing stock for residents and long-term renters who contribute to the City’s cultural and ethnic diversity, and economic revival; and

WHEREAS, if left unregulated, the short term rental of dwellings can negatively affect residential neighborhoods’ character, weaken community bonds vital for a city to flourish and increase demand for public services; and

WHEREAS, short term rentals can provide an affordable lodging in a homelike setting that may be desirable to some visitors to Inglewood; and

WHEREAS, providing for limited instances for vacation rentals will expand short term rental opportunities without substantially depleting the City’s housing stock; and

WHEREAS, Inglewood Municipal Code section 8-23.4 requires persons who rent or lease residential units to pay an annual tax for engaging in a residential rental business; and

WHEREAS, Chapter 9 of the Municipal Code requires persons who rent or lease any tourist home or house, lodging house, rooming house, apartment house, or portion thereof, to transients to collect and remit a transient occupancy tax to the City; and

WHEREAS, persons who offer short term dwelling rentals through Online Platforms may
not be familiar with the City’s business tax and transient occupancy tax regulations relating to
their short term rental; and

WHEREAS, the City’s current regulations do not account for the growing popularity of
Online Platforms and their role in facilitating compliance with the City’s tax regulations; and

WHEREAS, the City desires to adopt a comprehensive approach to regulate the short
term rental of dwellings within its geographic boundaries to mitigate the impacts of such
activities on residential and mixed-use neighborhoods and to ensure payment of all applicable
taxes; and

WHEREAS, Article XI, Section 7 of the California Constitution and well-established case
law provide cities with authority to regulate short term rentals as a land-use matter under a
city’s police power; and

WHEREAS, on September 6, 2017, a Short Term Rental Overview was presented to the
Planning Commission describing how a few nearby municipalities are regulating short term
rentals. These practices have been employed to achieve particular policy objectives, allow the
benefits of short term rentals, and to identify and mitigate issues that can accompany the
implementation of short term rentals. The Planning Commission directed staff to return with
proposed regulations; and

WHEREAS, on July 11, 2018, following notice duly given, the Inglewood Planning
Commission held a full and fair public hearing regarding the establishment of a short term
rental ordinance, and considered all oral and written statements, protests and communication
made or filed by interested persons and parties regarding the proposed ordinance; and

WHEREAS, on July 11, 2018, the Planning Commission approved Resolution No. 1811 to
recommend approval of Zoning Code Amendment 2018-01 (ZCA 2018-01) to establish Short
Term Rental regulations; and

WHEREAS, on April 21, 2020, the Council set a May 19, 2020, public hearing to consider
the zoning code amendment. For various reasons the public hearing was continued to May 26,
2020, then to June 23, 2020, then to July 21, 2020, then to July 28, 2020, but was not held and
was re-noticed for October 6, 2020, which was postponed to October 27, 2020; and
WHEREAS, the October 27, 2020, public hearing was not held but on February 1, 2022, the City adopted an interim ordinance imposing a temporary moratorium on the establishment of further short term rental use, the prohibition of party-houses; and

WHEREAS, on March 15, 2022, the City conducted a public hearing and extended the interim ordinance for an additional 10 month and 15 days or upon the effective date of a short term rental ordinance, whichever came first, continuing a moratorium on any and all building permits, business licenses, conditional use permits, or any entitlements for establishing or expanding any short term rental anywhere in the City; and

WHEREAS, amending the Inglewood Municipal Code as provided in this ordinance, will give greater clarity to all interested parties regarding the City’s short term rental expectations.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INGLEWOOD, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1.

A new Article 11 (SHORT TERM RENTAL AND VACATION RENTAL REGULATIONS) of Chapter 8 (BUSINESSES, TRADES, AND PROFESSIONS), of the Inglewood Municipal Code, is hereby added to read as follows:

Section 8-136. Objectives

The objectives of the Short Term Rental regulations are:

1. To allow for the efficient use and sharing of residential structures without detracting from residential neighborhoods’ character.

2. To ensure that the inventory of permanent dwelling units within the City are not reduced on an extended basis due to Short Term Rentals.

3. To provide short term lodging options for visitors to Inglewood in addition to traditional hotels and motels.

4. To allow long term Inglewood residents the opportunity to supplement household income and thereby benefit from Inglewood’s status as a sports entertainment destination center.

Section 8-137. Definitions
1. "Accessory Dwelling Unit" (ADU) shall mean a dwelling unit providing complete independent living facilities for one or more persons that (1) is located on a parcel with another primary, single-unit dwelling as defined by State law; and (2) includes permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-unit dwelling's location. A duplex is not an Accessory Dwelling Unit.

2. "Bedroom" shall mean any habitable space in a dwelling unit other than a kitchen, bathroom or living room that is intended for or capable of being used for sleeping, is at least 70 square feet in area, is separated from other rooms by a door, and is accessible to a bathroom without crossing another bedroom.

3. "Booking Transaction" shall mean any reservation or payment service provided by a person or entity who facilitates a short term rental transaction between a prospective visitor and Short Term Rental Host.

4. "Dwelling Unit" shall mean one or more rooms designed, occupied, or intended for occupancy as separate living quarters, with full cooking, sleeping, and bathroom facilities for the exclusive use of a single household.

5. "Guidelines" shall mean additional regulations which may include, but are not limited to, registration requirements, permit conditions, reporting requirements, inspection frequencies, enforcement procedures, advertising restrictions, disclosure requirements, administrative subpoena procedures, insurance requirements, or other provisions designed to carry out the intent of this Article. Said Guidelines may be updated from time to time by City Council resolution. No person shall fail to comply with any such Guidelines.

6. "Habitable Space" shall mean a space in a building for sleeping. Bathrooms, toilet rooms, closets, halls, storage utility spaces, and similar areas are not habitable spaces.

7. "Initial Inspection" shall mean any inspection conducted by the City's Code Enforcement Division, or designee, incident to the review of an application for an initial Short Term Rental Permit. The City shall inspect the interior and exterior of the subject property, including any improvements thereon, determine maximum occupancy and
parking capacity for the property, and verify compliance with the standards of this Article and other applicable City Code provisions.

8. **“Local Contact Person”** shall mean a person 25 years or older who shall be available seven (7) days a week, twenty-four (24) hours a day during the term of any Short Term Rental for the purposes of (i) responding within sixty (60) minutes to complaints regarding the condition or operation of the dwelling Unit or portion thereof, or the conduct of Short Term Rental transient occupants; and (ii) taking appropriate remedial action up to and including the immediate termination of the Short Term Rental if allowed by any agreement to resolve such complaints.

9. **“Loud or Unruly Conduct”** shall mean any of the following, if in violation of any provision of the Inglewood Municipal Code or State law:
   a. Loud noise;
   b. Obstruction of a street or public right-of-way, including a sidewalk;
   c. Public intoxication or drinking in public;
   d. The service of alcoholic beverages to minors;
   e. Possession and/or consumption of alcohol by minors;
   f. Assault, battery, fights, domestic violence or other disturbances of the peace;
   g. The sale or service of alcoholic beverages without a required state license;
   h. Vandalism or destruction of property;
   i. Litter;
   j. Urinating or defecating in public;
   k. Trespassing;
   l. Unlawful possession or use of controlled substances, including, but not limited to, cannabis.

10. **“Loud or Unruly Gathering”** shall mean a gathering of persons at a Dwelling Unit where Loud or Unruly Conduct occurs or within 50 feet of the property line of the Dwelling Unit, and which threatens or interferes with the public health, safety or welfare, or the comfortable enjoyment of life and property.
11. "Owner" shall mean a natural person(s) who has an interest in the property as provided for in the property deed. The term "Owner" also includes a personal or family trust consisting solely of natural persons and the trustees of such trust. For the purposes of this Article, the term "Owner" does not include a Business Entity of any type, nor any person whose interest in a Dwelling Unit is solely that of a tenant, subtenant, lessee, or sublessee under an oral or written rental housing agreement.

12. "Party House" shall mean a Dwelling Unit leased or rented for the purpose of holding parties or gatherings of the type that hotel ballrooms or other event spaces are typically rented; or where there is a Loud or Unruly Gathering.

13. "Primary Residence" shall mean the Dwelling Unit or usual place of return for housing as documented by at least two of the following and in the host's name: motor vehicle registration; driver's license; voter registration; tax documents showing the residential unit as the host's residence; or a utility or cellular phone bill. A person may have only one primary residence and must reside there for a minimum of three hundred and sixty-five (365) days from the application submittal.

14. "Renewal Inspection(s)" shall mean upon the application for renewal of a Short Term Renewal Permit, the subject property may be re-inspected, by the City's Code Enforcement, Short Term Rental Inspectors or Housing Inspection personnel, or any City designee, based on standards established by the City to ensure continued compliance with the standards of this Article and other applicable City Code provisions.

15. "Short Term Rental" shall mean a Dwelling Unit (rented in whole or in part) in which an applicant hosts visitors in their Dwelling Unit, for compensation, for periods of 30 consecutive days or less.

16. "Short Term Rental Host" shall mean a natural person, as of the date the rental application is submitted pursuant to Section 8-141: (1) has occupied the dwelling unit that is the subject of the rental application as his or her Primary Residence for at least the prior 365 consecutive days.

17. "Short Term Rental Hosted" shall mean a Dwelling Unit rented in part for which the
Short Term Rental Host rents out a room and remains in the Dwelling Unit during the stay.

18. "Short Term Rental Hosting Platform" shall mean anyone who participates in the Short Term Rental or Vacation business by collecting or receiving a fee, directly or indirectly through an agent or intermediary, for conducting a Booking Transaction using any medium of facilitation.

19. "Short Term Rental Permit" or "Permit" shall mean a City approved document granting a Short Term Rental Host permission to rent a Dwelling Unit or part of a Dwelling Unit on a short-term basis. A short term basis is 30 consecutive days or less to the same person.

20. "Short Term Rental Unhosted" shall mean renting an entire Dwelling Unit for which the Short Term Rental Host does not remain in the Dwelling Unit. Short Term Rental Unhosted is limited to one booking per dwelling per stay.

21. "Vacation Rental[s]" shall mean a Short Term Rental Unhosted. Vacation Rentals may occur for a maximum of 90 days per calendar year, but in blocks of 30 consecutive days or less. Rentals of units located within City-approved hotels, motels, and bed and breakfasts shall not be considered a Vacation Rental.

Section 8-138. Review and Approval Authority

Establishment of a Short Term Rental or Vacation Rental shall be subject to the approval of a Short Term Rental Permit. No person shall rent, offer to rent, or advertise for rent a unit as a short term rental without a valid permit issued by the city pursuant to and in the manner provided for by this Article.

Section 8-139. General Regulations

1. No Party House rentals or uses allowed.

2. A Short Term Rental Permit may not be assigned or transferred.

3. Short Term Rental Hosted may be allowed for an unlimited number of nights per calendar year, but in blocks of 30 consecutive days or less. This subsection does not apply to Vacation Rentals.
4. Short Term Rental Unhosted may be allowed for a maximum of ninety (90) nights per calendar year, but in blocks of 30 consecutive days or less.

5. Accessory dwelling units (ADU) may not be used as a Short Term Rental.

6. Any residence, or dwelling unit, subject to affordable housing covenants, and/or is income-restricted under City, state, or federal laws is not eligible for use as a Short Term Rental.

7. Unpermitted dwelling units may not be used as Short Term Rentals including, but not limited to, tents, recreational vehicles and trailers.

8. In a Short Term Rental, there shall be no more than 4 persons per room of which again will consist of no more than two adult guests per room.

9. A Short Term Rental may not be operated concurrently with active construction permits or operated at a site with open code violation(s).

10. Short Term Rental Host must have resided at the Dwelling Unit for at least the last 365 consecutive days prior to application submittal. For Vacation Rentals see Section 8-140 subsection 1.

11. A Short Term Rental Host may not advertise their Short Term Rental unit onsite in a visible way from any public space.

12. A Short Term Rental Host must provide the Uniform Resource Locator (URL, i.e., the website address) for any and all advertisements of the rental on the Short Term Rental Permit application if a web service is used.

13. A Short Term Rental Host must provide the names and proof of publications of any and all advertisements of the rental on the Short Term Rental Permit application that were done outside of a web service.

14. Transient Occupancy Taxes (TOT) shall be collected by all Short Term Rental Hosts pursuant to Chapter 9, Article 8. If a Short Term Rental Host Platform does not receive payment for the rental, Short Term Rental Hosts are solely responsible for collecting all applicable TOT and remittance of the collected tax to the City. If a Short Term Rental Host Platform does collect payment for rentals, then it and the Short Term Rental Host
shall have legal responsibility for the TOT’s collection and remittance.

Section 8-140. Vacation Rentals

1. Vacation Rentals shall be eligible for the following property types provided that the Property Owner, has been a resident in the City of Inglewood for a minimum of ten (10) consecutive years, has owned their current primary residence for a minimum of five (5) consecutive years, and has owned the vacation rental for a minimum of 365 consecutive days, immediately preceding the submittal of the application:

   a. Single Family Homes, and condominiums whose owner(s) is defined in Section 8-137. For these property types that have a Home Owners Association (HOA), written approval (on HOA Letterhead) will be required by the HOA with contact information to verify the approval if needed.

   b. Properties containing two (2) units, whose owner(s) is as defined in Section 8-137, in which one of the units is the owner’s primary place of residence, continues in occupancy, and the owner’s tenancy existed prior to the tenancy of the other unit or the other unit is vacant.

   c. Properties containing two (2) to four (4) units, whose owner(s) is defined in Section 8-137, and the owner’s primary residence is also established and continuous.

   d. Owners of properties in subsections (b) and (c) that are subject to Chapter 8, Articles 9 and 10, shall not operate a Short Term Rental until and unless the property is registered with the Housing Protection Department, and all fees, fines and penalties have been paid.

2. Only one unit can qualify as a vacation rental.

3. If more than one Dwelling Unit is on the parcel, the owner’s primary residence must be located on the property.

4. The proposed vacation unit must be vacant.

5. Be available for rent 90 calendar days or less and in blocks of 30 consecutive days or less per calendar year.
6. Be allowed only as long as the Short Term Rental Permit is valid.

7. Be subject to Sections 8-139 and 8-141 of this Article.

Section 8-141. Short Term Rental Authorization and Host Responsibilities

Notwithstanding any provision of this Code to the contrary, Short Term Rentals shall be authorized in the City, provided that the Short Term Rental Host:

1. Completes a short term rental application provided by the City. Such application shall include, but is not limited to:

   a. Address and Assessor’s Parcel Number where the Short Term Rental will take place;

   b. The identification of the type of use desired, e.g. Short Term Rental Hosted, Unhosted, Vacation Rental;

   c. Type of Dwelling Unit (e.g., single-family home, duplex, triplex, four-plex);

   d. The total number of residents of the Dwelling Unit;

   e. A list of all persons that will be a Short Term Rental Host for the Unit;

   f. Legal name, address, email address, and telephone number of all Short Term Rental Host(s), agent(s) of said Host and Local Contact Person(s) of the property proposed to operate as a Short Term Rental Unit;

   g. A floor plan or diagram of each Bedroom, office, den, living room, etc., in the Dwelling Unit;

   h. The floor plan or diagram shall provide information for each Bedroom, including whether or not the room will be rented, and the locations of all fire extinguishers, smoke detectors, and carbon monoxide detectors;

   i. A link or website address to all Short Term Rental Hosting Platforms advertising the Dwelling Unit. This information shall be submitted within five days of an applicant receiving a Permit and having placed an advertisement;

   j. An affidavit/covenant certifying that the Short Term Rental Host will comply with all of the short term rental ordinance provisions, conditions for operating a Short Term Rental, and all relevant laws or be subject to revocation of their
Short Term Rental Permit;

k. Written permission from the Home Owners Association (HOA) if applicable.

2. Obtains and maintains at all times a valid Short Term Rental Permit.

3. Operates the Short Term Rental activity in compliance with all Short Term Rental Permit conditions, which may be imposed by the City to effectuate the purpose of this Article.

4. Maintains liability insurance to cover Short Term Rental Hosting with minimum limits of not less than $500,000 or conducts each Short Term Rental Hosting transaction through a Short Term Rental Hosting Platform that provides equal or greater coverage.

5. Collects and remits Transient Occupancy Tax (“TOT”), in coordination with any Short Term Rental Host Platform if utilized, to the City and complies with all City TOT requirements as set forth in Article 8 of Chapter 9 of this Code.

6. Takes responsibility for and actively prevents, or immediately abates (within 1 hour) any nuisance activities that may take place as a result of Short Term Rental activities.

7. Complies with all applicable laws and regulations, including the City’s Noise Regulations (Article 2 of Chapter 5 of the Inglewood Municipal Code), all health, safety, building, and fire protection laws.

8. Ensures that basic health and safety features are provided, including fire extinguishers, smoke detectors, and carbon monoxide detectors.

9. Agrees to provide guests with a clearly visible and legible notice with an evacuation route and emergency instructions that is inclusive of the locations of all fire extinguishers, smoke detectors, and carbon monoxide alarms. The notice shall also include trash pickup day and the rules and regulations regarding trash removal, including without limitation, when trash may be left out.

10. Limits guest on street parking to one (1) vehicle per booking.

11. Provides information on noise regulations, quiet hours, trash and recycling requirements, to prospective guests, prior to their occupancy of the unit. Host shall also inform guests of any cameras on the property.

12. Provides a code of conduct to all guests that includes the relevant provisions of this
Article and other information to address behavioral, safety, security, and other matters as may be provided in any Guidelines.

13. Agrees to affix the short-term rental permit on the inside of the main entry door of each short-term rental unit to which it applies. The interior display will also contain the maximum number of overnight occupants permitted to stay in the unit, any parking restrictions, and a 24-hour, seven-day per week local phone number of the agent responsible for the short-term rental unit.

14. Consents to receive all City notices and citations regarding their Short Term Rental activities by U.S. Mail and/or email.

15. Accepts and agrees that the validity of a Short Term Rental Permit is predicated upon obtaining and maintain a valid Short Term Rental Business Tax Certificate.

16. Keeps and preserves, for a minimum period of three years, all records regarding each Short Term Rental event, including the length of stay and the price paid for each stay, and any other records required by and Guidelines promulgated by the City.

17. Agrees, on the Short Term Rental application, to the City’s inspection of records at all reasonable times and places for the purposes of enforcement of this Section.

18. Is found to be in compliance with the relevant Inglewood Municipal Codes upon an Initial Inspection and any Renewal Inspection(s).

19. Complies with the regulations contained within this Article and/or any Short Term Rental Guidelines.

20. Places the City issued registration number on all advertisements.

21. Consents to be listed on a registry created by the City and updated periodically by the City. The City may publish the registry, and a copy shall be provided to any person upon request.

22. Accepts that a Short Term Rental Permit may be valid for one (1) year, which may be renewed by the Short Term Rental Host by filing a completed renewal application. Initial and renewal applications shall be in a form prescribed by the City.

23. Agrees that the City shall determine, in its sole discretion, the completeness of an
application. Upon receipt of a complete initial application, the City shall:

a. Send mailed notice to the owner of record of the Short Term Rental, informing the owner that an application has been received;

b. Mail notice to any applicable homeowner’s association that the subject’s site is contained within as well as any owners and occupants of all abutting properties;

c. Hold the application for up to 60 days after sending such notice;

d. Review and consider any information submitted by any such homeowner association, neighboring owner or occupant, or member of the public regarding the resident’s eligibility and/or the Dwelling Unit for listing on the registry (see Section 8-141 subsection 21) received during the 60-day hold period.

24. Provides on both the initial application, and any renewal application, information sufficient to show that the Short Term Rental is the applicant’s Dwelling Unit. Additionally, the City may require information necessary to show Dwelling Unit compliance with this Article. Residency shall be established by showing that the Short Term Rental is listed as the applicant’s Dwelling Unit on bills from two of the following utilities: water, gas or electric covering at least the last 365 consecutive days of application submittal (for Vacation Rentals see Section 8-140 subsection 1) plus one of the following:

a. Motor vehicle registration;

b. Driver’s license;

c. Tax documents showing the Short Term Rental as the resident’s Dwelling Unit for tax purposes.

25. Provides on any new and renewal application sufficient information to show that the applicant is the resident and has occupied the Dwelling Unit for at least 365 consecutive days of application submittal. For Vacation Rentals see Section 8-140 subsection 1. Upon the City’s determination that an application is complete, the Short Term Rental shall be entered into the Short Term Rental Registry (Section 8-141 subsection 21) and assigned an individual registration number.
26. Understands and agrees that the fee for both the initial application and all renewal applications shall be non-refundable as listed in the City’s Master Fee Schedule and payable to the City of Inglewood. The non-refundable application fee shall be due at the time of application submittal.

27. Required to provide an annual statement of gross earnings.

Section 8-142. Appeals, Denials, Suspensions, and Revocations.

1. Appeals. The applicant may appeal any Permit denial, suspension or revocation as set forth in this Article. The appeal shall be filed in a non-refundable fee listed in the City’s Master Fee Schedule, paid to the City in the Finance Department office no later than fifteen (15) calendar days after the date of the notice of the denial (suspension, or revocation) is mailed. Should the aforementioned fifteen (15) calendar day fall on a day that the City is closed for business, then the next City business day shall be considered the fifteenth (15) day. The appeal shall be heard by the Permits and Licenses Committee no later than forty-five (45) calendar days after the appeal is filed. A decision shall be rendered no later than ten (10) calendar days after the appeal hearing. The decision of the Permits and Licenses Committee shall be final.

2. Denial, Suspension, or Revocation. Notwithstanding any other provision of this Code to the contrary, the City Manager, or designee, may require the denial, suspension, or revocation of any Short Term Rental Permit. The denial, suspension, or revocation shall become effective fifteen (15) calendar days after the mailing of a notice of intent to deny, suspend, or revoke. An appeal may be filed pursuant to Section 8-142, Subsection 1.

3. Grounds for Denial, Suspension or Revocation

a. A Permit issued pursuant to this Article may be denied, suspended or revoked upon any of the following grounds:

i. A material misrepresentation, false or misleading information was included on the application or renewal application;

ii. A violation of any provision under this Article, any applicable provision
of this Code and/or any other applicable law, rule or regulation has occurred on the premises of the Short Term Rental;

iii. An authorized official has given notification of existing health or safety violations on the property or non-compliance with applicable laws, rules or regulations relating to health and safety;

iv. A Permit for the property has been revoked in the previous twelve (12) months, unless the property has been sold and the new owner can demonstrate to the City that a change of property ownership during that time period;

v. The applicant 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 including, but not limited to Transient Occupancy Taxes (TOT).

Section 8-143. Hosting Platform Responsibilities

1. Short Term Rental Host Platforms shall be responsible for collecting all applicable TOTs and remitting the same to the City. The Short Term Rental Host Platform shall be considered an agent of the Short Term Rental Host for purposes of TOT collections and remittance responsibilities as set forth in Article 8, Chapter 9 of this Code.

2. Subject to applicable laws, Short Term Rental Host Platforms shall disclose to the City, on a monthly basis, each Short Term Rental or Vacation Rental listing located in the City, the names of the persons responsible for each such listing, the address of each such listing, the length of stay for each such listing and the price paid for each stay.

3. Short Term Rental Host Platforms shall not complete any Booking Transaction for any Short Term Rental or Vacation Rental unless the rental is listed on the City’s registry created under Section 8-141 subsection 21 at the time the Short Term Rental Host Platform receives a fee for the Booking Transaction.

4. Short Term Rental Host Platforms shall not collect or receive a fee, directly or indirectly through an agent or intermediary, for facilitating or providing services ancillary to an
unregistered Short Term Rental or Vacation Rental, including, but not limited to, insurance, concierge services, catering, restaurant bookings, tours, guide services, entertainment, cleaning, property management, or maintenance of the Short Term Rental.

5. A Short Term Rental Host Platform operating exclusively on the Internet, which operates in compliance with subsections 1, 2, 3 and 4 above, shall be presumed to be in compliance with this Article, except that the Short Term Rental Hosting Platform remains responsible for compliance with the administrative subpoena provisions of Section 8-147 subsection 6.

6. Within forty-five (45) days of the effective date of this Ordinance, Short Term Rental Host Platforms with listings located in the City shall provide to the City contact information for an employee or representative of the Short Term Rental Host Platform that will be responsible for responding to requests for information from the City, including requests related to possible violations of this Article.

7. The provisions of this Section shall not apply to a Short Term Rental Host Platform whenever it complies with any conflicting Guidelines approved by City Council resolution that describe how the Short Term Rental Host Platform shall satisfy the Short Term Rental Host Platform responsibilities.

8. The provisions of this Section shall be interpreted in accordance with otherwise applicable State and Federal law(s) and will not apply if determined by the City to be in violation of, or preempted by, any such law(s).

Section 8-144. Prohibitions

No person shall undertake, maintain, authorize, aid, facilitate, or advertise any Vacation Rental activity or any Short Term Rental activity that does not comply with this Article.

Section 8-145. Preemption

If any provision of this Article conflicts with any provision of the Zoning Ordinance codified in Chapter 12 of this Code, the terms of this Article shall prevail.

Section 8-146. Fees
The City Council may establish and set by resolution all fees and charges as may be necessary to effectuate the purpose of this Article.

Section 8-147. Enforcement

1. It is unlawful to violate any provision of this Article. A violation of this Article by any person, Short Term Rental Host, Owner, or Short Term Rental Host Platform that violates its obligations under Section 8-143, shall be guilty of an infraction unless determined to be a misdemeanor pursuant to Article 1-18.3 of this Code.

2. Any action by a Short Term Rental Host or Owner that is an infraction is punishable pursuant to Government Code 36900, or as that section may be amended from time to time.

3. Any person convicted of violating any provision of this Article in a criminal case or found to violate this Article in a civil or administrative case brought by a law enforcement agency shall be ordered to reimburse the City and other participating law enforcement agencies their full investigative costs, pay all back TOTs, and remit all illegally obtained rental revenue to the City so that it may be returned to the Short Term Rental visitors or used to compensate victims of illegal Short Term Rental Host activities.

4. Any Short Term Rental Host who violates any provision of this Article, or Short Term Rental Host Platform that violates its obligations under Section 8-143, may be subject to administrative fines and administrative penalties pursuant to Article 11.4 of Chapter 11 of this Code.

5. Any interested person may seek an injunction or other relief to prevent or remedy violations of this Article.

6. The City may issue and serve administrative subpoenas as necessary to obtain specific information regarding Short Term Rental or Vacation Rental listings located in the City, including, but not limited to, the names of the persons responsible for each such listing, the address of each such listing, the length of stay for each such listing and the price paid for each stay, to determine whether the Short Term Rental or Vacation Rental listings complies with this Article. Any subpoena issued pursuant to this section shall
not require the production of information sooner than thirty (30) days from the date of
service. A person that has been served with an administrative subpoena may seek
judicial review during that thirty-day period.

7. The remedies provided in this Article are not exclusive, and nothing in this Article shall
preclude the use or application of any other remedies, penalties or procedures
established by law.

8. Each day, or a portion thereof, that a violation of this Article occurs or continues is
considered a separate offense.

SECTION 2.

Any provision of the Inglewood Municipal Code, or appendices thereto, inconsistent
with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is
hereby repealed or modified to that extent necessary to effect the provisions of this Ordinance.

SECTION 3.

Section 12-1.35. (Dwelling) of Article 1 (Definitions) of Chapter 12 of the Inglewood Municipal
Code is hereby deleted in its entirety and replaced the following:

“Dwelling” shall mean a building or portion thereof designed for or occupied exclusively
for residential purposes, including one-family, two-family, multiple dwellings, Transitional
Housing, Supportive Housing, and Short Term Rental, (subject to the regulations contained
within Article 11 of Chapter 8 of the IMC) but not including hotels, boarding and lodging houses.

SECTION 4.

Section 12-1.105.1. (Short Term Rental) is hereby added to Article 1 (Definitions) of Chapter 12
of the Inglewood Municipal Code to read as follows:

“Short Term Rental” and shall mean the same as defined in Chapter 8, Article 11, of the

SECTION 5.

Section 12-1.128.1 (Vacation Rental) is hereby added to Article 1 (Definitions) of Chapter 12 of
the Inglewood Municipal Code to read as follows:
“Vacation Rental” and shall mean the same as defined in Chapter 8, Article 11, of the Inglewood Municipal Code.

SECTION 6.

Section 12-17.11. Short Term Rental (STR) and Vacation Rental (VR) is hereby added to Article 1.2 (Home Occupations Regulations) of Chapter 12 of the Inglewood Municipal Code to read as follows:

“Short Term Rental and Vacation Rental use shall be permitted in all residential zones and in Mixed-Use zones where residential use is permitted, and shall be subject to the provisions of Chapter 8, Article 11 of the Inglewood Municipal Code.”

SECTION 7.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its Application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsection, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its Application to any other person or circumstance. The City of Inglewood hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more of the sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

SECTION 8.

The City Clerk shall certify to the introduction, approval, passage, and adoption of this Ordinance by the City Council and shall cause the same to be published in accordance with the City Charter, and thirty days from the final passage and adoption, this Ordinance shall be in full force and effect.

Introduced at a regular meeting of the Inglewood City Council, this ___________ day of ____________, 2022.

Passed and Adopted at a regular meeting of the Inglewood City Council, this _____ day of ________________, 2022.
ATTEST:

Aisha L. Thompson, City Clerk

APPROVED:

James T. Butts, Jr., Mayor
ATTACHMENT NO. 2
RESOLUTION NO.: _____

A RESOLUTION OF THE CITY OF INGLEWOOD, CALIFORNIA
ADOPTING FEES AND CHARGES SPECIFIC TO THE REGISTRATION
OF SHORT TERM RENTALS OPERATING WITHIN THE CITY OF
INGLEWOOD, AND INCLUDE SAID FEES IN THE MASTER FEE
SCHEDULE.

WHEREAS, advances in technology (AirBNB, VRBO, HomeAway and other
similar websites, collectively “Online Platforms” or “Platform(s)”) have made it
increasingly popular for persons to engage in the short term rental of dwellings as a
business and thereby potentially removing long-term housing from the market; and

WHEREAS, the City must preserve its available housing stock for residents and
long-term renters who contribute to the City’s cultural and ethnic diversity, and economic
revival; and

WHEREAS, regulating short term rental operations in the city can thwart
negative effects to residential neighborhoods’ character, and strengthen community
bonds vital for a city to flourish; and

WHEREAS, short term rentals can provide an affordable lodging in a homelike
setting that may be desirable to some visitors to Inglewood; and

WHEREAS, Article XI, Section 7 of the California Constitution and well-
established case law provide cities with authority to regulate short term rentals as a
land-use matter under a city’s police power; and

WHEREAS, on June 28, 2022, the City conducted a public hearing to consider
a comprehensive approach to regulate the short term rental of dwellings within its
geographic boundaries to mitigate the impacts of such activities on residential and
mixed-use neighborhoods and to ensure payment of all applicable taxes; and

WHEREAS, staff has provided the City Council with figures and
recommendations on fees to initiate the registration process for short term rental permits
as to not belabor the process of regulating short term rentals to provide eligible property
owners to supplement income that may have been impacted by the pandemic; and

WHEREAS, California Government Code Section 66000, et seq., authorized the
City to adopt service fees and charges for municipal services, provided such fees do not
exceed City cost to provide the services.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INGLEWOOD does
resolve as follows:

SECTION 1. The facts set forth in the Recitals of this Resolution are true and
correct and are hereby incorporated by reference herein as though set forth in full.

SECTION 2. The City Council does hereby adopt the following short term rental
permit fees (Rounded to the nearest dollar), to be included in the Master Fee Schedule:

1) Short Term Rental Permit Fee Primary Residence Hosted - $500
2) Short Term Rental Permit Fee Primary Residence Unhosted - $600
3) Short Term Rental Permit Fee Vacation Rental Unhosted - $600
4) Appeal Fee - $350
5) Re-Inspection Fee - $33

SECTION 4. The service fees and charges adopted and all portions of this
Resolution are severable. Should any of the service fees or charges or any portion of
this Resolution be adjudged to be invalid and unenforceable by a body of competent
jurisdiction, then the remaining fees and/or Resolution portions shall be, and continue to
be, in full force and effect, except as to those fees and/or Resolution portions that have
been adjudged invalid. The City Council of the City of Inglewood hereby declares that it
would have adopted each of the service fees or charges and this Resolution and each
section, subsection, clause, sentence, phrase and other portion thereof, irrespective of
the fact that one or more of the service fees, charges or sections, subsections, clauses,
sentences, phrases or other portions of this Resolution may be held invalid or
unconstitutional.
SECTION 5. The fees of this Resolution shall not exceed the estimated reasonable cost of the City to provide Short Term Rental services.

SECTION 6. The fees listed herein shall be effective no sooner than 60 days following the adoption of the fee resolution.

SECTION 7. The City Clerk shall certify to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Inglewood, California, held on the __________ day of __________, 2022.

CITY OF INGLEWOOD:

_____________________________________
James T. Butts, Jr., Mayor

ATTEST:

_____________________________________
Aisha L. Thompson, City Clerk