

# PLANNING COMMISSION AGENDA

CHAIRPERSON:

Adam Peck



VICE CHAIRPERSON:

Mary Beatie

COMMISSIONERS: Marvin Hansen, Chris Tavarez, Bill Davis, Mary Beatie, Adam Peck

**MONDAY, AUGUST 28, 2023**  
**VISALIA COUNCIL CHAMBERS**  
**LOCATED AT 707 W. ACEQUIA AVENUE, VISALIA, CA**  
**MEETING TIME: 7:00 PM**

1. CALL TO ORDER –
2. THE PLEDGE OF ALLEGIANCE –
3. CITIZEN'S COMMENTS – This is the time for citizens to comment on subject matters that are not on the agenda but are within the jurisdiction of the Visalia Planning Commission. You may provide comments to the Planning Commission at this time, but the Planning Commission may only legally discuss those items already on tonight's agenda.  

The Commission requests that a five (5) minute time limit be observed for Citizen Comments. You will be notified when your five minutes have expired.
4. CHANGES TO THE AGENDA –
5. CONSENT CALENDAR - All items under the consent calendar are to be considered routine and will be enacted by one motion. For any discussion of an item on the consent calendar, it will be removed at the request of the Commission and made a part of the regular agenda.
  - No Items on the Consent Calendar
6. PUBLIC HEARING – (Continued from May 8, 2023) Josh Dan, Senior Planner  

Conditional Use Permit No. 2023-14: A request by California Water Service Company to amend Conditional Use Permit No. 2012-09, by amending a one-million-gallon capacity water tank height and width dimensions depicted within the previously approved Conditional Use Permit No. 2012-09. The project site is zoned R-1-5 (Single-Family Residential 5,000 square foot minimum per lot). The project is located at 738 North McAuliff Street. (APN: 103-320-056). A previously prepared Initial Study and Mitigated Negative Declaration No. 2012-19 adequately analyzed and addressed the project, with mitigation, and was adopted per Environmental Document No. 2012-19 for this project.

7. REGULAR ITEM – Josh Dan, Senior Planner  
Presentation and Overview of City Council's Direction on initiating Municipal Code Amendments regulating Short-Term Rentals (STRs).
8. CITY PLANNER/ PLANNING COMMISSION DISCUSSION –
  - a. Annexation filings with Tulare LAFCO.
  - b. Pratt Family Ranch project scheduled for September 5<sup>th</sup> City Council meeting.
  - c. Planning Division Employee update.

The Planning Commission meeting may end no later than 11:00 P.M. Any unfinished business may be continued to a future date and time to be determined by the Commission at this meeting. The Planning Commission routinely visits the project sites listed on the agenda.

For Hearing Impaired – Call (559) 713-4900 (TTY) 48-hours in advance of the scheduled meeting time to request signing services.

Any written materials relating to an item on this agenda submitted to the Planning Commission after distribution of the agenda packet are available for public inspection in the City Office, 315 E. Acequia Visalia, CA 93291, during normal business hours.

#### **APPEAL PROCEDURE**

#### **THE LAST DAY TO FILE AN APPEAL IS THURSDAY, SEPTEMBER 7, 2023, BEFORE 5 PM**

According to the City of Visalia Zoning Ordinance Section 17.02.145 and Subdivision Ordinance Section 16.04.040, an appeal to the City Council may be submitted within ten days following the date of a decision by the Planning Commission. An appeal form with applicable fees shall be filed with the City Clerk at 220 N. Santa Fe, Visalia, CA 93291. The appeal shall specify errors or abuses of discretion by the Planning Commission, or decisions not supported by the evidence in the record. The appeal form can be found on the city's website [www.visalia.city](http://www.visalia.city) or from the City Clerk.

#### **THE NEXT REGULAR MEETING WILL BE HELD ON MONDAY, SEPTEMBER 11, 2023**

# City of Visalia



**To:** Visalia Planning Commission  
**From:** Josh Dan, Senior Planner  
**Subject:** Staff Presentation and Overview of City Council's Direction on Initiating Municipal Code Amendments Regulating Short-Term Rentals (STRs).  
**Date:** August 28, 2023

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## **PURPOSE**

The purpose of this presentation and report is to review future changes to the Visalia Municipal Code (VMC) regarding Short-Term Rentals (STRs), as directed by the Visalia City Council. Staff is seeking feedback from the Planning Commission on key provisions presented in the report below which will be incorporated into a draft STR ordinance. Input and/or comments received from the Planning Commission will enable staff to properly address items prior to bringing the draft STR ordinance through the public hearing process.

## **CITY COUNCIL WORK SESSION**

On May 1, 2023, staff conducted a work session with City Council on the subject of STRs based on complaints several Councilmembers received from local residents earlier in the year. The work session detailed how the City currently addresses STRs and provided examples of regulations other agencies have implemented (see the Council Staff Report in Attachment "1"). Council received the presentation, accepted comments from STR operators and members of the public and considered various proposals that could be incorporated into an STR Ordinance. The City Council expressed their desire to have staff prepare an ordinance to regulate STRs rather than relying on staff's current process. The Council directed staff to prepare a draft ordinance with all the provisions presented by staff at the work session.

## **SHORT-TERM RENTAL BACKGROUND AND CHALLENGES**

A STR is defined in California Government Code Section 36900(d)(2) as a residential dwelling, or any portion of a residential dwelling, that is rented to a person or persons for 30 consecutive days or less (Please note this definition excludes State licensed group homes and board and care facilities, which are defined in the Zoning Ordinance). STRs are commonly reserved through third-party internet hosting platforms such as Airbnb and VRBO. In addition, guests may also book STRs through travel sites such as Expedia or Hotwire, or directly with a homeowner or tenant via social media platform marketplaces or word of mouth.

Staff reviewed two of the major platforms that list STRs in Visalia; Airbnb and VRBO. A search on Airbnb identified between 340 to 867 spaces listed in Visalia, depending on availability and dates. VRBO identified a total of 93 properties available to reserve. Although these sites identified STR availability in Visalia, the overall number of active STRs within the

City is difficult to quantify. This is due to several factors including the failure of STR operators to accurately report activities and the lack of distinction on City Business Tax records between STRs and other types of landlord business licenses.

## **CITY COUNCIL DIRECTIVES**

The following are processes and regulations that the City Council directed staff to implement to address SRTs in Visalia. Staff requests that the Planning Commission review and provide feedback on any of the following items below:

### **1. Stand-Alone SRT Ordinance**

*Council's Direction:* Create a stand-alone STR ordinance.

*Process required:* Create a new section under VMC Chapter 17.32 (Special Provisions) rather than creating an entire new Chapter. This is similar to how Home Occupation uses are currently addressed in the VMC.

Establishing the STR ordinance under Chapter 17.32 would establish all processing and operating provisions in one section rather than dispersed throughout the VMC, enabling easier accessibility. However, this option will require a cross-reference to the VMCs Title 3 Revenue and Finance Chapter 3.28 specifying requirements related to Transient and Occupancy Tax registration, collection, and reporting requirements.

### **2. Processing of STR Applications**

*Council's Direction:* Review and approve STRs via a ministerial review process.

*Process required:* Staff will create an STR application and submittal process for ministerial review of STR applications to ensure compliance with City codified STR standards. This is a similar process used for Administrative Adjustments and Temporary Conditional Use Permits.

### **3. Existing STRs and “Grandfathering”**

*Council's Direction:* Prohibit the grandfathering of existing STRs as it would only be a concern if the total amount of STR operators is limited.

*Process required:* All legal, existing STRs will not be “Grandfathered” and/or considered non-conforming uses upon adoption of the new STR ordinance. All existing STRs will be required to comply with all provisions enacted under the new ordinance. Staff will look to craft a timeframe for all existing STRs to file the appropriate applications to bring their STRs into compliance with the adopted ordinance.

### **4. Limit the number of STR's allowed in the City of Visalia.**

*Council Direction:* The Council did not express unified support for a city-wide limit on the total number of STRs. However, the Council did express the need to limit the use to residences or places where a residence could be established. Additionally, there was support for limiting the number of STRs in proximity to each other.

Process required: This provision would be incorporated into the language of the draft STR ordinance, as a separate section related to performance/development standards. Limiting the number of STRs in local residential neighborhoods based on proximity to other STRs has the potential to prevent the transition of residential communities into “communities of transients”. Staff’s approach will be similar to the State SB9’s urban lot split approach in that the STR ordinance would seek to prohibit contiguous STR uses in close proximity to one another.

**5. Establish an application and registration/verification process.**

Council’s Direction: Proceed with outlining a ministerial approval process for STR applicants and detailing clear operational standards.

Process Required: As part of the codified operating requirements, staff will provide a clear application and registration process to ensure that the owner/operator of the STR provides staff with the appropriate information including how the STR will be properly managed similar to Planning’s review of Business Tax and Home Occupation Applications.

**6. Require that the property owner comply with “Good Neighbor Policies”.**

Council’s Direction: Council expressed interest in requiring STR operators to comply with existing “Good Neighbor Policies”.

Process required: “Model Good Neighbor Policies” are standards applied to multi-family developments requiring operators to maintain onsite improvements such as landscaping, fencing, lighting, and other improvements not along public street frontages. Staff will reference the policies in the STR ordinance and would inform applicants of the requirement as part of the application process.

**7. Transient Occupancy Tax (TOT) Registration.**

Council’s Direction: Require STR operators to register and remit TOT as detailed in the Revenue Section of the Municipal Code.

Process Required: As part of the STR ordinance staff will include a specific section related to TOT, codifying operating requirements subjecting STR owner/operators to registering and paying TOT to the City of Visalia Finance Department. As part of this process, the owner/operator shall be fully responsible for the renewal, collection, and monthly remittance of TOT to the City of Visalia Finance Department.

**8. Parking Requirements.**

Council’s Direction: The Council expressed an interest in requiring STRs to provide onsite parking, either in garages or on driveways, but not on the street. This would have the effect of essentially limiting the total number of persons per STR reservation.

Process Required: This provision would be incorporated into the language of the draft STR ordinance, as a separate section related to performance/development standards. Codified provisions to be considered include establishing a parking ratio for the number

of occupants and/or guest allowed. As an example, a parking ratio consideration could be one on-site parking space for every four occupants and guests. On-street parking by renters and guests will be prohibited and not included in determining the maximum occupancy of the site.

## **9. Establishing Quiet Hours.**

Council's Direction: The Council supported codification of quiet hours consistent with the already implemented 7:00 PM to 6:00 AM Nighttime hours in VMC Chapter 8.36 (Noise).

Process Required: This provision will be incorporated into the language of the draft STR ordinance. Hours would be consistent with the hours listed in VMC Chapter 8.36.

## **10. Limiting the Use of an STR.**

Council's Direction: That the proposed ordinance require STRs to only be used for lodging and should prohibit use for weddings, receptions, meetings, conferences, parties, commercial filming, or any other similar uses.

Process Required: The STR ordinance will clearly define that these types of activities are prohibited.

## **11. Limiting the number of occupants in an STR.**

Council's Direction: The Council was in support of limiting occupancy of an STR to the total number of bedrooms within a structure. It should be noted that the limitation to occupancy based on bedrooms and available onsite parking, as noted above, may be conflicting.

Process Required: Staff will tailor this provision to remove any conflicts with the provisions listed under the Parking Requirements section of this report, limiting occupancy of a STR based on the number of bedrooms, while identifying a maximum number of occupants permitted within the residential structure.

## **12. Establish Suspension/Revocation process for STR.**

Council's Direction: That staff codify a revocation process for STRs.

Process Required: The STR ordinance will contain a provision on the revocation process for operators/owners of STRs that are declared a public nuisance.

### **Next Steps:**

Staff will begin completing the draft STR ordinance incorporating the items as directed by the City Council and may include any additional feedback received from the Planning Commission. Staff anticipates the draft ordinance being presented to the Planning Commission at their second scheduled meeting in September, and to City Council in October 2023.

### **Attachments:**

1. Visalia City Council Report (May 1, 2023)



## Legislation Text

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File #: 23-0135, Version: 1

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### Agenda Item Wording:

Consideration of and direction on initiating potential Municipal Code Updates related to Short-Term Rentals (STRs).

Deadline for Action: 5/1/2023

**Submitting Department:** Community Development

### Contact Name and Phone Number:

Josh Dan, Senior Planner, [josh.dan@visalia.city](mailto:josh.dan@visalia.city) <<mailto:josh.dan@visalia.city>>, (559) 713-4003

Paul Bernal, Community Development Director, [paul.bernal@visalia.city](mailto:paul.bernal@visalia.city)

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Renee Nagel, Finance Director, [renee.nagel@visalia.city](mailto:renee.nagel@visalia.city) <<mailto:renee.nagel@visalia.city>>, (559) 713-4375

### Department Recommendation:

Staff recommends that the City Council conduct a review of current processes and standards related to Short-Term Rentals and consider the information presented in this staff report. Based on the staff report, presentation and comments received, the City Council may direct staff to formulate potential changes related to Short-Term Rentals and begin processing a Municipal Code Text Amendment to implement these changes. Revisions to be considered as part of the Municipal Code Text Amendment process related to Short-Term Rentals will be subject to a future work session discussion.

### Background Discussion:

A Short-Term Rental (STR) is defined in the California Government Code Section 36900(d)(2) as a residential dwelling, or any portion of a residential dwelling, that is rented to a person or persons for 30 consecutive days or less. (Please note this definition is different than group homes licensed through the state. Also different are board and care facilities which are defined in the Zoning Ordinance.) STRs are commonly booked through third-party internet hosting platforms such as Airbnb and VRBO. In addition, guests may also book STRs through travel sites such as Expedia or Hotwire, or directly with a homeowner or tenant via social media platform marketplaces or word of mouth.

Complaints from local residents in the community identifying concerns and issues with SRTs have been brought to the City Council's attention and questions asked regarding if this use should be regulated differently in our community.

Based on direction from City Council, staff has researched regulation of STRs to better understand how other agencies are addressing STRs in their communities. Through this research, staff is presenting various options that the City Council may consider should the Council elect to move forward with directing staff to begin formulating a draft ordinance that will address and regulate how

SRTs are reviewed in the future.

Current City of Visalia Municipal Code Sections Related to Transient Rental Uses:

Currently, the Visalia Municipal Code (VMC) does not explicitly address STRs. Staff has addressed STR requests like most other forms of home-based businesses, as detailed below:

1. An interested STR operator files for a business license with the Business Tax office.
2. Business Licenses are reviewed and processed by the Business Tax and Planning Divisions for compliance with the Municipal Code.
3. Once approved, the STR operator is permitted to rent out their home in short intervals.

Transient Occupancy Tax

The City's Finance Department collects a Transient Occupancy Tax (TOT) as detailed in Title 3 Revenue and Finance, Chapter 3.28 Transient Occupancy Tax. This chapter defines and details the percentage of tax levied for the privilege of occupancy in any hotel by a transient (ten percent of the rent charged by the operator, VMC 3.28.020). Further, the chapter details an operator's duties, obligation to report TOT, and possible penalties for failure to comply with or report TOT subject to the requirements of the chapter. (Please note California Government Code Section 13000 governs the collection of transient occupancy tax, and more specifically, Section 13204 lists a variety of uses not to be considered hotels and thusly are exempt from TOT, which include any hospital, convalescent home, sanitarium, medical clinic, home for aged people, foster home, or similarly operated for the care or treatment of human beings, etc.).

Section 3.28.060 of the Municipal Code details an operator's requirement to report tax collected to the tax collector on the last day of the month following the close of each calendar quarter, or at any interval required of the operator by the tax collector. Figures provided by the Finance Department have shown that while Airbnb actively collects and submits a monthly TOT payment to the department on behalf of operators, the platform does not detail collected monies in any category (i.e., the number of operators or collection amounts from specific addresses). For reference, Airbnb submitted \$411,000 in TOT to the City for fiscal year 2021/2022. In addition, other STR platforms (ex. VRBO) place the requirement of TOT collection and reporting on the operator. STR proprietors that use social media and word of mouth may have no knowledge of a requirement to collect or report TOT.

Number of Short-Term Rentals within the City:

There are several websites that host STR's. Due to the number of websites available, staff reviewed two of the major platforms that list SRTs in Visalia, Airbnb and VRBO. Airbnb is the most popular of all STR platforms, a search on their website identified a range of 340 to 867 spaces listed in Visalia, depending on availability and dates. The second most popular site, VRBO, identified a total of 93 properties. As noted above, the number of active STRs is difficult to quantify. Foremost, the City's Business Tax office does not currently distinguish STRs from other types of landlord business licenses. Subsequently, TOT collected is reported after the fact as mentioned above, and unless a specific operator reports and posts TOT payment to the Finance Department, it is very difficult to understand how many active STRs are currently operating within the city.

It should be noted that staff could not query the list for properties only within the City's limits and the

site may have included properties within the vicinity of the city. Additionally, some STR operators may advertise their properties on both platforms, producing some overlap in figures.

There are short-term compliance service companies, one of which the Finance Department previously worked with to identify short-term rentals. However, staff found that the service did not yield the desired outcome. A list of operators/owners of STRs was compiled by referencing various rental sites and state revenue reporting; but very few operators/owners responded to City letters for compliance with obtaining a Business License and submitting TOT. However, if the City Council, based on information received, desires to have staff research further the benefits of using a third party service to track STRs operating in the community, staff can research this further and present our findings a future work session.

What Other Cities and Counties Have Done:

Staff’s research of other agencies throughout the valley and across the state have presented a common concern that the proliferation of unregulated STRs has the potential to impact housing for future home buyers or renters, and negatively erode neighborhood character. Many communities have described the necessity of establishing regulations derived by complaints about loud parties and a general disregard for community hospitality. While some agencies have taken a heavy-handed approach, processing STRs as a land use entitlement requiring a public hearing, the majority of communities researched have adopted requirements within their code’s finance chapters to identify the use and charge nominal annual registration fees via business license requests.

The following is a list of agencies reviewed which require some form of STR permit process:

Short-Term Rental Data Collection		
Agency	Permit Required?	Process
City of Clovis	Y	Business license / Home Occupancy
City of Fresno	Y	Application with Finance Dept.
City of Kingsburg	Y	Business license / Home Occupancy
City of Long Beach	Y	Application with Development Services (Enforcement)
City of Los Angeles	Y	Application through Planning
City of Morro Bay	Y	Application with Business License
City of Sutter Creek	Y	CUP with Community Development Business License
Contra Costa County	Y	Community Development STR
Inyo County	Y	CUP with Planning Dept. and Finance
Placer County	Y	Application with Development Services (Enforcement)
Tulare County	N	Draft Ordinance presented, not adopted

(No agencies in Tulare County have ordinances or policies, although Tulare County has proposed an ordinance.)

Nearly all agencies researched have some form of conditions of approval associated with the operation of a STR. Primarily, the requirement that the operation of a STR be within a portion or entirety of a primarily or accessory dwelling unit and not within an unpermitted or nonhabitual space

(i.e., garage, shop, shed, recreational vehicle, etc.). Limitations on the total number of STRs seem to be a common approach to coastal and scenic communities. Placer County, for example, has identified that 28 percent of Eastern Placer County housing stock are STRs (Lake Tahoe area). However, enforcement of a STR cap can understandably prove difficult to enforce without the reporting of STRs by operators or by code compliance complaints.

The cities of Clovis, Fresno, and Kingsburg each have simple permitting application processes established through their finance departments via business license applications. These applications, similar to Visalia's own business license application process, are home occupation applications reviewed by planning or community development departments for consistency with code requirements. While each agency differs slightly in their regulation of STRs, each provide some language on limitation to occupants based on rooms or off-street parking figures.

Conversely, Inyo and Sutter Counties have established application processes requiring a Conditional Use Permit be obtained prior to operating a STR in a residence. Completed applications would include the applicant and subject property information, detail on the total square footage and number of bedrooms within the dwelling, operational statements, and a property owner acknowledgement complying with the ordinance. Additionally, the Tulare County planning staff presented a draft ordinance to the board of Supervisors which requires applicants apply for an administrative special use permit with the Resource Management Agency (RMA); however, this STR ordinance has not been adopted by Tulare County.

#### Considerations for Potential Direction on a Visalia STR Ordinance:

Given the concerns expressed at a prior City Council meeting regarding STRs, staff is seeking input and potential direction from the City Council on whether the Council wants to make any changes with regards to STRs. If that is the Council's direction, then staff would like to discuss whether to pursue a Zone Text Amendment to amended various sections in the municipal code (i.e., Finance and Zoning sections) or draft a "stand-alone" STR ordinance that would detail application, operating standards, and processing requirements in the City of Visalia. Staff has provided the following options for the City Council's consideration and direction as summarized below. Please note the following are examples of what an STR ordinance may include to address application submittal requirements, operating, and processing standards for STRs but does not encompass the wide array of options that could be considered. Based on direction received, staff will work on drafting a draft SRT ordinance that will be presented at a future work session.

### **1. Zone Text Amendment (ZTA) vs. Stand-alone SRT Ordinance**

Option 1, ZTA Process: Using the ZTA process, staff would seek to amend various sections in both the Finance and Zoning Chapters of the municipal code to insert language and provision requirements to regulate STRs. This process could be implemented but would require applicants to navigate various sections of the municipal code on how to apply for an SRT.

Option 2, Stand-alone SRT Ordinance: This process would create a separate "stand-alone" section within the Zoning Ordinance clearly identifying process and operating requirements, while cross referencing to the transient occupancy tax section found in the Title 3 Revenue and Finance of the municipal code. Creating the stand-alone section regulating STRs would provide a clear and concise process for applicants seeking to operate STRs in the City of Visalia.

Option 3, Retain current process and use existing ordinances: Directing staff to retain current

processes still requires operators/owners of STRs to obtain a business application, enroll in TOT collection and remittance to the Finance Department, and any site that becomes a public nuisance due to an increase in calls for service”) will be subject to administrative enforcement citations to correct the issue. Please note pursuant to Visalia Municipal Code Section 8.40.060.C.1, “for an individual residential unit, whether the unit is a standalone residence or part of a multi- family complex, more than six substantiated police and/or fire calls over a one-year period (other than a medical emergency) can result in the property being declared a public nuisance.

**Staff Recommendation: Option 2**

Staff recommends Option 2 be directed as this option would provide a stand-alone section within the Zoning Ordinance, preferably under Section 17.32 “Special Provisions”, that would seek to establish all processing and operating provisions in one section rather than dispersed throughout the municipal code. Please note that this option will require a cross-reference to the City’s Title 3 Revenue and Finance Chapter 3.28 of the municipal code specifying requirements related to Transient and Occupancy Tax registration, collection, and reporting requirements.

**2. Processing of STRs - Administrative Approval or Use Permit**

Administrative Approval Process: If the City Council desires to keep the STR process simplified, maintaining an “Administrative Approval Process” would keep the review and approval of STR application request with the Community Development Director and/or their designee similar to the Administrative Adjustment (Chapter 17.04) and Temporary Conditional Use Permit (Chapter 17.38) processes. Approval of an STR application through an administrative process will be subject to any codified requirements that the Council may consider as part of the STR process. Codified requirements for City Council’s direction/discussion are provided in Section 3 below.

Use Permit Process: The process would entail that any STR application submitted be subject to the public hearing process that requires a notice to be published in the local newspaper and public hearing notices to be mailed to property owners within 300-feet of the proposed STR use. This process will also require the assessment of the Use Permit fees noted in the City of Visalia Fee Schedule.

**Staff Recommendation: Option 1**

Staff recommends that Option 1 be directed as this option would allow STR applications to be processed in a timely manner similar to Administrative Adjustments and Temporary Conditional Use Permits, but subject to codified STR requirements as outlined in Section 3 below.

**3. Existing STRs and “Grandfathering”:**

As mentioned in prior sections of the report, current rental operators are required to apply for business licenses. Short-term rentals currently operating within the city will be subject to any new regulation that the City Council may enact and implement. Should a procedural and/or operating standard be established, existing operators will be required to apply for whichever means of licensing or processing may be required of them.

It has been identified that “grandfathering” will likely only become a concern if the City Council determines to limit the total number of STRs in Visalia. If that is the desire and direction of the City Council, operators/owners of existing STRs will likely need to demonstrate their operation’s

compliance with current Business Tax and TOT obligations to demonstrate they are pre-existing.

#### 4. **Potential STR Codified Operational Standards:**

Recently identified issues regarding the current state of STRs in the City of Visalia is the lack of codified requirements that STRs are currently not subject to any operating requirements. To ensure that both owners/operators and renters of STRs are aware of local requirements, many jurisdictions have adopted codified operating standards as a way to manage the rapid growth of short-term rental properties in their communities. The following are examples of operating standards that the City Council may direct staff to further analyze and include as potential codified operating standards. Please note that there are several cities that codify requirements that are explicitly tailored for their communities given their geographical location to entertainment venues and/or natural amenities. Additionally, codified requirements are only enforceable when an STR is known to staff; where, as mentioned previously, many STRs are discovered and will likely be brought into compliance after the facts. The following are examples of what could be considered but are not intended to be exhaustive of what other requirements could be applied.

##### 1. Limit the number of STR's allowed in the City of Visalia.

The City Council could consider limiting the number of STRs allowed to operate in the City of Visalia. Limiting the number of STR approvals could be a way to ensure that the conversion of residential units into STRs does not result in a loss of availability of housing options for long-term renters or home buyers in the Visalia community. In addition, limiting the number of STRs in local residential neighborhoods has the potential to prevent the transition of residential communities into "communities of transients".

##### 2. Establish an application and registration/verification process.

As part of the codified operating requirements, clearly identify an application and registration process to ensure that the owner/operator of the STR provides staff with the appropriate information including how the STR will be properly managed.

##### 3. Require that the property owner of the STR reside in the unit.

The City Council, if desired, could seek to have a codified requirement that the owner of the property be required to reside on-site in order to operate the STR. Similar to some state statutes requiring owner occupancy, this is achieved by having the STR operator sign an agreement acknowledging that they will reside within the home for a determined period of time. The document may be recorded with the property or kept with staff.

##### 4. Transient Occupancy Tax (TOT) Registration.

Codified operating requirements will explicitly detail that an owner/operator of an STR shall be subject to registering and paying TOT to the City of Visalia Finance Department. As part of this process, the owner/operator shall be fully responsible for the renewal, collection, and monthly remittance of TOT to the City of Visalia Finance Department. Please note the tracking of STRs to ensure compliance with TOT registration can be time consuming and may be at times difficult to verify given the wide variety of online platforms that host STR postings.

##### 5. Parking Requirements.

Codified provisions to be considered include establishing a parking ratio for the number of occupants and/or guest allowed. As an example, a parking ratio consideration could be one on-site parking space for every four occupants and guests. On-street parking by renters and guests could be prohibited and not included in determining the maximum occupancy of the site.

6. Establishing Quiet Hours.

Potential operating requirements can include provisions that established observed “quiet hours”.

7. Limiting the Use of an STR.

Establish language that would prohibit use of a short-term residential rental unit for any other purpose other than dwelling, lodging, or sleeping. Prohibited uses that could be included are weddings, receptions, meetings, conferences, parties, commercial filming, or any other similar uses.

8. Limiting the number of occupants in an STR.

Establish codified requirements that limit occupancy of an STR to a specific number of occupants based on the number of bedrooms, while identifying a maximum number of occupants permitted.

9. Establish Suspension/Revocation process for STR.

Include language that identifies a revocation process if an operator fails to comply with codified operating standards.

Potential codified operating requirements will also include provisions regarding the suspension and/or revocation of an STR permit if the owner/operator fails to comply with adopted regulations.

**Next Steps:**

If directed by the City Council, staff will return with a draft ordinance to be presented at a future work session to go over the details contained in the draft STR ordinance prior to seeking direction to proceed with moving forward with an STR ordinance through the public hearing process.

**Fiscal Impact:**

None.

**Prior Council Action:** N/A

**Other:** N/A

**Alternatives:**

The City Council, in lieu of the recommendations provided, may direct staff to consider the following:

1. Receive the staff report and take no further action at this time.

**Recommended Motion (and Alternative Motions if expected):**

I move to direct staff to begin drafting an STR Ordinance based on the City Council’s desired options as identified in the staff report and during the work session presentation.

**Environmental Assessment Status:**

No environmental assessment required at this time. The adoption of any ordinance changes will require environmental documentation pursuant to the California Environmental Quality Act (CEQA) to be completed by City staff.

**CEQA Review:**

The adoption of any ordinance changes will require environmental documentation pursuant to the California Environmental Quality Act (CEQA) to be completed by City staff.

**Attachments:** None.