

CHAPTER 6.44 SHORT-TERM RENTALS

Section 6.44.010 Title of Ordinance

This Chapter shall be referred to as the "Short-term Rental Ordinance."

Section 6.44.020 Purpose

- A. The purpose of this Chapter is to establish regulations for the use of privately-owned, residential dwellings or accessory structures as short-term rentals that maintain neighborhood compatibility, preserve long-term housing, protect historic resources, support our tourism industry and ensure economic benefits through Transient Occupancy Tax (TOT) collection.
- B. This Chapter is not intended to provide any owner of residential property with the right or privilege to violate any private conditions, covenants, and restrictions applicable to the owner's property that may prohibit the use of such owner's residential property for short-term rental purposes.

Section 6.44.030 Definitions

- A. For purposes of this Chapter, the following words and phrases shall have the following meanings:
 1. "Applicable laws, rules and regulations" means any laws, rules, regulations and codes (whether local, state or federal) pertaining to the use and occupancy of a privately-owned dwelling unit as a short-term rental.
 2. "Applicant" means the owner of the short-term rental unit or the owner's authorized agent or representative, referred to within as an "operator."
 3. "City Manager" means that person acting in the capacity of the City Manager of the City of Sutter Creek or his or her designee.
 4. "Good neighbor brochure" means a document prepared by the City that summarizes the general rules of conduct, consideration, and respect, including without limitation provisions of the Sutter Creek Municipal Code and other applicable laws, rules, or regulations, pertaining to the use and occupancy of short-term rental units.
 5. "Local contact person" means the person designated by the owner or the operator who shall be available 24 hours per day, seven days per week for the purpose of: (1) responding within 60 minutes to complaints regarding the condition, operation, or conduct of occupants of the short-term rental unit; and (2) taking remedial action to resolve any such complaints. The local contact person may be the owner or operator.
 6. "Non-Owner-Occupied STR" means a property operating as a short-term rental without an on-site owner, which functions more like commercial lodging.

7. "Operator" means the owner or the designated agent or representative of the owner who is responsible for compliance with this Chapter
8. "Owner" means the person(s) or entity(ies) that hold(s) legal and/or equitable title to a short-term rental unit.
9. . "Owner-Occupied STR" means a property where the owner resides on-site in the primary dwelling, an accessory dwelling unit (ADU), or rents out individual rooms.
10. "Property" means a residential legal lot on which a short-term rental unit is located.
11. "Responsible person" means an occupant of a short-term rental unit who is at least 21 years of age and who is legally responsible for ensuring that all occupants of the short-term rental unit and their guests comply with all applicable laws, rules, and regulations pertaining to the use and occupancy of a short term rental unit.
12. "Short-term rental unit" means a privately-owned residential dwelling, such as, but not limited to, a single-family detached or multiple-family attached unit, condominium, duplex, or any portion of such dwellings, and accessory structure rented for occupancy for dwelling, lodging, or sleeping purposes for any period of 30 consecutive days or fewer. A short-term rental unit does not include a hotel, motel, bed and breakfast, or other business in which rooms are rented as the principal use of a building devoted to lodging.
13. "Short-term rental permit" means a permit that allows the use of a privately-owned, residential dwelling or accessory structure as a short-term rental unit pursuant to the provisions of this Chapter.
14. "Transient" for purposes of this Chapter means any person who seeks to rent or who does rent a short-term rental unit for a period of 30 consecutive days or fewer.

Section 6.44.040 Prohibitions

- A. No person shall operate a short-term rental unit unless there is a short-term rental permit in effect for that unit.
- B. No person shall operate a short-term rental unit without the consent of the property owner.
- C. No individual accessory dwelling unit shall operate as a short-term rental unit.

Section 6.44.050 Review of Applications

- A. The owner or operator is required to obtain a short-term rental permit from the City, pursuant to the provisions of this Chapter, before renting any short-term rental unit to any transient.
- B. The permit application must be presented to and approved by the Planning Commission at a public hearing before any short-term rental to any transient commences. The application for

the permit shall be presented to the Planning Commission only after staff has determined the application includes all the documentation and information required by Section 6.44.060 and the applicable fees have been paid.

- C. A short-term rental permit shall be reviewed, by staff, on an annual basis based on the anniversary of the original permit issuance.
- D. A short-term rental permit shall be renewed every 3 years by the City to review performance and compliance. The application to renew the permit must be submitted no fewer than 60 days before expiration of the permit and shall include all the information and documentation required by Section 6.44.060. The City Manager, or his or her designee, shall make the decision whether to renew any permit based on his or her determination that the owner or operator has complied with the standards stated in Section 6.44.070 during the duration of the short-term rental.
- E. Waiting List. STR permit applications shall be reviewed on a first-come, first-serve basis with a waiting list for new STR permits once all authorized STR permits are issued.
- F. Permits must remain active; failure to demonstrate rental activity through regular TOT filings for a specified period will result in the permit being deemed inactive and automatically voided.

Section 6.44.060 Application and Fees

- A. The owner or operator must submit the following information on a short-term rental permit application form provided by the City:
 - 1. The name, address, and telephone number of the owner of the short-term rental unit;
 - 2. The name, address, and telephone number of the operator, if the owner will not directly provide for the short-term rental;
 - 3. The name, address, and 24-hour telephone number of the local contact person;
 - 4. The address of the proposed short-term rental unit;
 - 5. A site plan showing the size and location of the parcel, placement of existing and proposed structures with dimensions from property lines and other structures; parking area; driveways
 - 6. A floor plan identifying the number of bedrooms proposed for use;
 - 7. A copy of the House Rules
 - 8. Proof of Liability Insurance

9. Acknowledgement that the operator has received and reviewed the good neighbor brochure and will provide the brochure to all transients;
 10. A copy of a transient occupancy registration permit issued under Section 4.16.060 of this Code;
 11. A completed checklist for fire safety (fire extinguishers, smoke alarms, carbon monoxide detectors, etc.);
 12. A business license issued in accordance with Chapter 6.04 of this Code.
- B. Together with the information and documentation required by the preceding paragraph, the applicant at the time of application shall pay the fee for establishment or renewal of the short-term rental unit. The City Council shall establish the fees for establishment or renewal of short-term rental units by resolution. Such fees must cover the costs of processing and reviewing the application in addition to the enforcement of the terms, conditions, and standards of this Chapter.
- C. Short-term rental permits are not transferrable. Within 14 days of a change of property ownership, change of operator, or any other change in material facts pertaining to the information contained in the short-term rental permit, the new proposed owner or operator shall submit an application and requisite application fee for a new short-term rental permit, which must be obtained prior to continuing to rent the subject unit as a short-term rental.

Section 6.44.050 Maximum Number

- A. There will be no limit on the number of Owner-Occupied STR within the City.
- B. Non-Owner-Occupied STR permits will be limited as follows:
 1. Units within the Historic District
 - a. XXX
 2. Units outside the Historic District:
 - a. XXX

Section 6.44.070 Standards for All Short-Term Rentals

- A. Unless an owner intends to directly provide for the short-term occupancy of a short-term rental unit, the owner shall designate an operator who shall ensure compliance with the requirements of this Chapter on behalf of the owner. Notwithstanding the foregoing, the owner shall not be relieved from any personal responsibility for compliance with the requirements of this Chapter and shall be subject to any applicable remedies for noncompliance, regardless of whether such noncompliance was committed by the operator

or the occupants of the short-term rental unit or their guests.

- B. The owner or operator shall use reasonably prudent business practices to ensure that the short-term rental unit is used in a manner that complies with all applicable laws, rules, and regulations pertaining to the use and occupancy of the subject short-term rental unit, including this Chapter.
- C. The maximum number of overnight guests for a short-term rental unit shall not exceed the limitations stated below, except that children under the age of 4 shall not be counted for purposes of calculating this limitation so long as the children sleep in the same bedroom as at least one of their parents or legal guardians. Additional daytime guests are allowed between the hours of 7:00 a.m. and 10:00 p.m., subject to the limitations described below.

Number of Bedrooms	Total of Overnight Occupants	Total Daytime Occupants (Including Number of Overnight Occupants)
Studio	2	4
1	2	4
2	4	6
3 or more	6	8

- D. A short-term rental unit shall not change the residential character of the outside appearance of the residence, either by the use of colors, materials, lighting, or any advertising mechanism.
- E. The owner or operator shall satisfy the off-street parking requirements of Chapter 18.48.030 of this Code.
- F. Overnight guests of the short-term rental unit may not utilize more than three off-street parking spaces for each overnight stay in the unit.
- G. Occupants of the short-term rental unit shall comply with all standards and regulations stated in Chapter 10.50 of this Code concerning noise.
- H. The owner or operator shall provide each occupant of the short-term rental unit with the following information prior to occupancy of the unit and shall post such information in a prominent location within the unit:
 - 1. The contact information for the operator, with 24-hour availability;
 - 2. The maximum number of overnight occupants and the maximum number of daytime occupants as permitted under this Chapter;
 - 3. Trash pick-up day and applicable rules and regulations pertaining to leaving or storing trash on the exterior of the property;
 - 4. A copy of the Chapter 10.50 of this Code concerning noise; and

- H. Notification that the occupant or owner may be cited or fined by the City for violations of this Code. While a short-term rental unit is rented, the owner, operator, or local contact person shall be available 24 hours per day, seven days per week for the purpose of responding within 60 minutes to complaints regarding the condition, operation, or conduct of occupants of the short-term rental unit or their guests.
- I. The owner, operator, or local contact person shall use reasonably prudent business practices to ensure that the occupants and/or guests of the short-term rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate any applicable law, rule or regulation pertaining to the use and occupancy of the short-term rental unit.
- J. Prior to occupancy of a short-term rental unit, the owner or operator shall obtain the name, address, and a copy of a valid government identification of the responsible person and require such responsible person to execute a formal acknowledgement that he or she accepts responsibility for compliance by all occupants of the short-term rental unit and their guests with all applicable laws, rules, and regulations pertaining to the use and occupancy of the short-term rental unit.
- K. The owner, operator, or local contact person shall upon notification that the responsible person and/or any occupant and/or guest of the short-term rental unit has created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of any applicable law, rule or regulation pertaining to the use and occupancy of the subject short-term unit, promptly respond within 60 minutes and appropriate manner to immediately halt or prevent a recurrence of such conduct by the responsible person and/or any occupants and/or guests.
- L. Trash and refuse shall not be left stored within public view, except in proper containers for the purpose of collection by the City's authorized waste hauler on scheduled trash collection days. The owner or operator shall use reasonably prudent business practices to ensure compliance with all the provisions of Chapter 9.08 of this Code.
- M. The owner or operator shall post the current short-term rental permit number on or in any advertisement appearing in any newspaper, magazine, brochure, trade paper, website, etc., that promotes the availability or existence of a short-term rental unit.
- N. The owner shall ensure that the short-term rental unit is and remains in substantial compliance with all applicable codes regarding fire, building and safety, health and safety, and other relevant laws.
- O. The owner shall ensure that all applicable transient occupancy taxes required for the short-term rental are timely paid and paid in accordance with Chapter 4.16 of this Code.
- P. The owner or operator shall not allow any conferences, weddings, fundraisers, or similar gatherings at the short-term rental dwelling unit.
- Q. Posting Permit. The short-term rental permit shall be posted in a conspicuous place on the inside of the premises near the front door at all times the unit is being rented.

- R. Advertising Requirements. All advertisements for short-term rentals shall include the city's short-term rental permit number and the maximum permitted overnight occupancy as stated on the approved short-term rental permit.
- S. The Planning Commission shall have the authority to impose additional conditions on the use of any short-term rental unit to ensure that any potential secondary effects unique to the subject short-term rental unit are avoided or adequately mitigated.

Section 6.44.080 TOT Accounting and Audit Procedures

- A. Gross vs. Net Revenue Calculations. TOT is calculated on the Gross Rent charged to the guest (including cleaning and pet fees), not the Net Payout received by the host.
- B. Host Liability. Operators remain legally responsible for remitting TOT, even if they utilize a platform's voluntary collection services; hosts are liable for all back taxes if the platform fails to remit.
- C. Blocked Dates Affidavit. Hosts claiming "0 occupancy" for blocked calendar dates must sign an Affidavit of Non-Rental Use detailing the reasons (e.g., personal use, maintenance) to prevent tax evasion.
- D. Audit Authority. The City is authorized to conduct audits using tools such as online calendar evidence, platform gross earnings reports, redacted federal tax returns (Schedule E or C), bank statements, and water usage data.
- E. Burden of Proof. If a host fails to provide verifiable records, the City Finance Department has the authority to estimate the tax due based on external data, which becomes final and binding.

Section 6.44.090 Violations

- A. A violation of any provision of this Chapter by any occupant, owner, or operator shall constitute grounds for modification, suspension, or revocation of the short-term rental permit.
- B. Whenever any owner or operator fails to comply with any provision of this Chapter, the City, after giving the operator or owner ten days written notice specifying the time and place of a hearing before the Planning Commission, and requiring him to show cause why the short term rental permit should not be modified, suspended, or revoked, may modify, suspend, or revoke the permit held by the operator or owner.
- C. The City may enforce this Chapter, including the terms and conditions of any permit granted under this Chapter, by any means provided for in Chapter 1.16 of this Code or by any other means authorized by law.