

Chapter 5.86 SHORT-TERM RENTALS

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5.86.010 Purpose.

The purpose of this chapter is to establish regulations for the use of privately-owned residential dwellings as short-term rentals within the City of Lake Elsinore, to preserve the single-family character of neighborhoods, to prevent short-term rental activities from becoming a nuisance or a threat to public health, safety or welfare and to ensure the collection and payment of transient occupancy taxes.

5.86.020 Definitions.

As used in this chapter, the following terms shall have the following meanings:

“Authorized agent” means an agent designated by the owner to comply with the requirements of this chapter on behalf of the owner, as provided for in LEMC 5.86.050.

“Bedroom” means a separate permanent room of at least one hundred square feet with four walls from floor to ceiling with an access door and a built-in clothes closet.

“City” means the City of Lake Elsinore.

“Director” means the Director of Administrative Services of the City of Lake Elsinore or their designee.

“Good Neighbor Brochure” means a document prepared by the City, as may be revised from time to time that summarizes the general rules of conduct, consideration, and respect about the use and occupancy of short-term rental units.

“Guest” means the overnight occupants renting the short-term rental for a specified period and the daytime visitors of the overnight occupants.

“Local contact person” means the person designated by the owner or the owner's authorized agent who shall be available twenty-four (24) hours per day, seven (7) days per week for: (i) being able to physically respond within sixty (60) minutes of notification of a complaint regarding the condition, operation or conduct of guests of the short-term rental, and (ii) taking remedial action to resolve any such complaints.

“Occupancy” means the use or possession, or the right to use or possession, of any short-term rental for dwelling, lodging, or sleeping purposes.

“Owner” means the person(s) or entity(ies) that hold(s) legal and/or equitable title to the subject short-term rental. “Owner” does not include a lessee of the dwelling.

“Short-term rental” means a privately owned residential dwelling, such as but not limited to, a single-family detached or multifamily attached dwelling, apartment house, condominium, cooperative apartment, duplex, mobile home on permanent foundations, or a manufactured home on permanent foundations, or any portion of such dwellings, rented for occupancy for dwelling, lodging or sleeping purposes for any period less than thirty (30) consecutive days. A short-term rental is a “hotel” for purposes of Chapter 3.32.

“Short-term rental unit” means a legally permitted dwelling unit, as that term is defined in LEMC 17.08.040, all or any portion of which is made available as a short-term residential rental. Each short-term rental residential unit shall have an assigned real property address.

5.86.030 Short-term rental business license required.

It shall be unlawful to own, establish, operate, or permit the establishment of a short-term rental within the City, other than as permitted by this chapter. Before owning, establishing, operating, or permitting the establishment of a short-term rental within the City, the owner shall obtain a short-term rental business license from the City under the terms and conditions stated in this chapter.

5.86.040 Short-term rentals permitted.

Short-term rentals are permitted in all residential zones, subject to compliance with the following requirements:

A. The owner or owner’s authorized agent is required to obtain a business license pursuant to Chapter 5.08 LEMC before renting or advertising the availability of a short-term residential rental unit. A current and valid business license is required at all times while operating a short-term rental unit.

B. Each person operating a short-term rental shall comply with the transient occupancy tax requirements stated in Chapter 3.32 LEMC and shall obtain a Transient Occupancy Registration Certificate in accordance with LEMC 3.32.060.

C. Only the habitable interior portions of the short-term rental unit shall be utilized as a short-term rental.

D. No garages, tents, trailers, recreational vehicles, storage sheds, or other exterior structures or spaces shall be used as short-term rentals.

E. In accordance with LEMC 17.415.110, no person may operate a short-term rental in any accessory dwelling unit.

5.86.050 Authorized agent or representative.

A. An owner may authorize an agent or a representative to comply with the requirements of this chapter on behalf of the owner. The authorization shall be in writing and shall be signed by the property owner(s), whose signature(s) shall be notarized.

B. Notwithstanding paragraph A, the owner shall not be relieved from any personal responsibility and personal liability for non-compliance with any applicable law, rule, or regulation pertaining to the use and occupancy of the subject short-term residential rental unit, regardless of whether such non-compliance was committed by the owner, the owner's authorized agent or representative, the guests of the owner's short-term residential rental unit or the invited or uninvited guests of the owner.

5.86.060 Application for a short-term rental business license.

A. Application. The owner shall file an application with the City upon a form provided by the City for a short-term rental business license to the Director. The application for a short-term rental business license shall include at least the following information:

1. The name, address, and telephone number of the owner of the short-term rental for which the permit is to be issued.
2. The name, address, and telephone number of the authorized agent, if any, of the owner of the short-term rental.
3. The name, address, and telephone number of a 24-hour emergency local contact person who will be available twenty-four (24) hours a day, 7 days a week, to accept telephone calls and to respond physically to the short-term rental within sixty (60) minutes when the short-term rental is rented and occupied. If the name, address, or telephone number of the 24-hour emergency local contact person is changed at any time, the owner shall submit such updated information to the Director.
4. The number of bedrooms and the applicable overnight and daytime occupancy limit of the proposed short-term rental.
5. Acknowledgement of receipt and inspection of a copy of the Good Neighbor Brochure.
6. Evidence of a valid Transient Occupancy Registration Certificate issued by the City for the short-term rental in accordance with Chapter 3.32 LEMC.
7. Acknowledgement of receipt and inspection of a copy of all regulations of the operation of a short-term rental within the City, including, but not limited to, this chapter.
8. A statement affirming that the owner is permitted to use the owner's property as a short-term rental per applicable private governing documents, including, without limitation,

conditions, covenants, and restrictions (“CC&Rs”) that are valid and enforceable in accordance with the Davis-Stirling Common Interest Development Act, as stated in California Civil Code Section 4000 et seq., of the use and occupancy of owner’s privately owned single-family residential dwelling or condominium as a short-term rental.

9. A certification by the applicant that to his or her knowledge and belief, the information contained on the application is true.

10. Payment for any applicable fees.

11. Such other information as the Director deems reasonably necessary to administer this chapter.

5.86.070 Permit approval and Issuance.

A. Issuance of a short-term business license constitutes a revocable privilege and shall not create or establish any vested rights for the development or use of a property.

B. Upon receipt of a completed application and payment of the application fees, the Director shall investigate the information contained in the application to determine whether the owner shall be issued the requested short-term rental business license based upon compliance with this chapter.

C. The Director shall grant the application for a short-term rental business license (subject to paragraphs D and E of this section) upon findings that the application meets the requirements of this chapter unless the Director finds any of the following:

1. The owner has made one or more false or misleading statements or omissions, either on the written application or during the application process.
2. The owner has not satisfied every requirement of this chapter and the LEMC.
3. The owner is not in compliance with applicable state law.
4. The owner has not paid the required fees established by the resolution of the City Council.

D. Based upon the information stated in the application and the Director's review, the Director may impose additional reasonable terms and conditions on the use of the short-term rental permit in addition to those specified in this chapter to ensure the safe operation of the short-term rental, and to ensure the health, safety, and welfare of the residents and visitors of the City of Lake Elsinore.

E. The owner shall comply with all operational requirements for short-term rentals, as provided further in LEMC 5.86.090.

F. If there is a deed restriction on a property that prohibits the use of a residential dwelling as a short-term rental, then that deed restriction shall control. The City shall not enforce said deed restriction.

G. Short-term rental business license is not transferrable and any new owner of a short-term rental shall require the new owner to obtain a short-term business license from the City.

5.86.080 Permit term and renewal.

An approved short-term rental permit is valid until December 31 of the year it is issued, unless suspended or revoked by the Director. The permittee may renew the permit annually, by submitting a renewal application and fee before the expiration of the permit.

5.86.090 Short-term rental operational requirements.

All short-term rentals shall comply with the following operational requirements:

A. The owner shall ensure that the short-term rental complies with all applicable codes regarding fire, building and safety, health and safety, and all other relevant laws and ordinances.

B. A short-term rental shall not change the residential character of the outside appearance of the residence including color, material, lighting, or any advertising mechanism.

C. The City may conduct inspections of the short-term rental unit before issuing a new permit, and before issuing any renewal permit.

D. Guests shall not be permitted to stay at the short-term rental unit for longer than thirty (30) consecutive days.

E. The owner shall provide to the guests a 24-hour emergency local contact person located within sixty (60) minutes of the short-term rental that will be available to respond to issues at the short-term rental.

F. The short-term rental must have a visible house number easily seen from the street, day or night.

G. The short-term rental is prohibited from having publicly visible advertisements or signs at the physical location of the dwelling.

H. The short-term rental shall be used only for overnight lodging accommodations, and shall not be used for weddings, receptions, parties, bachelor/bachelorette parties, commercial functions, conferences, or other similar assemblies that are separate from the sole purpose of lodging.

I. The primary guest of the short-term rental must be an adult 21 years of age or older. This adult must provide a telephone number to the owner and shall be accessible to the owner by telephone at all times.

J. Guest log required.

- 1, The owner shall maintain a guest log, which log shall include the name, address and driver's license number, copy of the passport, or copy of other valid government identification of the primary adult guest of the short-term rental. This log shall be maintained for three years.

2. The owner shall require that same adult guest to sign a formal acknowledgment that he or she is legally responsible for compliance by guests of the short-term rental with all

applicable laws, rules, and regulations of the use and occupancy of the short term rental; and.

3. The guest log, including any documentation attached thereto, shall be readily available for review upon request of any law enforcement officer or employee of the City authorized to enforce this chapter or State law.

K. The owner shall require all guests to agree to a minimum stay of one night.

L. Occupancy Limits.

1. The owner shall limit the occupancy of a short-term rental to a specific number of guests. The following table sets forth the maximum number of guests for all short-term rentals:

Number of Bedrooms	Total Guests
0-Studio	2
1	4
2	6
3	8
4	10
5	12

2. For any dwelling having more than five (5) bedrooms, the maximum number of guests shall not exceed twelve (12) persons. If the short-term rental permit limits the occupancy to a number less than that shown on the table, the limit in the permit shall govern.

3. The Director may, when unusual size, interior layout, parking, or other physical characteristics are shown, approve a greater maximum number of overnight guests as part of a short-term rental business license application or renewal.

M. All vehicles of guests of a short-term rental single-family house or condominium shall be parked only in an approved driveway or garage on the short-term rental single-family house or condominium. The maximum number of vehicles allowed for a short-term rental single-family house or condominium shall be limited to the number of available off-street parking spaces; however, any short-term rental must have a minimum of two (2) off-street parking spaces. The owner shall provide access to the garage of the short-term rental if that area has been included in the determination of the number of available off-street parking spaces in accordance with this subsection. In no event shall off-street parking include the use of landscaped areas, any private or public sidewalk, parkway, walkway, or alley (or any portion thereof) located on, at, or adjacent to the short-term rental or the blocking of the driveway or street in front of the short-term rental. The term "sidewalk" shall include that portion of a driveway that is delineated for pedestrian travel or is in the public right-of-way.

N. Trash and refuse shall not be left stored within public view, except in proper containers for collection by the responsible trash hauler and between the hours of 9:00 p.m. the day before and 8:00 a.m. the day after the scheduled trash collection days. The owner of the short-term rental shall provide sufficient trash collection containers and service to meet the demand of guests. The short-term rental shall be free of debris both on-site and in the adjacent portion of the street.

O. Each lease or rental agreement for a short-term rental shall include the following terms, notifications, and disclosures, which shall also be posted in a conspicuous location inside the short-term rental:

1. The maximum number of guests that are permitted and notification that failure to conform to the maximum occupancy is a violation of this chapter.
2. The number of parking spaces provided and, if not adjacent to the short-term rental, the location of assigned parking, and the maximum number of vehicles that are permitted.
3. The trash pick-up day(s) and applicable rules and regulations about leaving or storing trash on the exterior of the property.
4. Notification that the guest may be cited or fined by the City and/or immediately evicted by the owner for violating any applicable laws.
5. The name of the managing agency, authorized agent, rental manager, local contact person or owner of the unit, and a telephone number at which that party may be reached at all times and 9-1-1 emergency information.
6. A copy of the good neighbor brochure.

P. Guests shall not engage in outdoor activities on a short-term rental between the hours of 10:00 p.m. and 9:00 a.m. All activities at a short-term rental between 10:00 p.m. and 9:00 a.m. shall be conducted inside of a short-term rental so that no outdoor activity will disturb the peace of the neighborhood adjacent to a short-term rental or cause discomfort or annoyance to any reasonable person of normal sensitivity residing in the area.

Q. No musical instrument, phonograph, loudspeaker, amplified or reproduced sound, or any machine or device for the production or reproduction of any sound shall be used outside or be audible from the outside of a short-term rental between the hours of 10:00 p.m. and 9:00 a.m.

R. The owner or the local contact person shall ensure that the guests of a short-term rental do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of this code or any State law on noise, disorderly conduct, overcrowding, the consumption of alcohol, or the use of illegal drugs. Owner or local contact person is expected to take all measures necessary to abate disturbances, including, but not limited to, directing the guests of a short-term rental to cease the disturbing conduct, calling for law enforcement services or enforcement officers, removing the guest(s), or taking any other action necessary to immediately abate the disturbance

S. The owner or local contact person shall, upon notification that guests of his or her short-term rental have created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of the LEMC or state law on, but not limited to, noise, disorderly conduct, or overcrowding, take action to prevent a recurrence of such conduct by those guests or guests within sixty (60) minutes.

T. The owner shall collect and remit transient occupancy taxes as required by Chapter 3.32 LEMC, and shall make such arrangements with the City's Finance Department as may be required to facilitate the remittance of such collected taxes to the City.

U. The owner shall indemnify, defend and hold harmless the City, its elected officials, employees, agents, officers, and representatives, and each and all of them individually, from all liability or harm arising from or in connection with all claims, damages, attorney's fees, costs and allegations arising from or in any way related to the operation of the short-term rental; and, reimburse the City for any costs and attorney's fees that the City may be required to pay as a result of such action. The City may, at its sole discretion, participate at its own expense in the defense of any such action.

5.86.100 Advertising shall include permit number.

A. All advertising appearing in any written publication or on any website that promotes the availability or existence of a short-term rental shall include the City-issued permit number as part of the rental offering. No person shall advertise the use of a dwelling as a short-term rental unless the City has approved a short-term rental permit in accordance with this chapter.

B. Any person advertising or causing the advertisement of a short-term vacation rental that contains information regarding the maximum occupancy of the short-term vacation rental, shall advertise only the Maximum Occupancy Limit as stated in the permit issued in accordance with this chapter.

5.86.110 Records maintenance and production.

The operator shall maintain for three years, records in such form as the tax administrator (as defined in, and required by, Chapter 3.32) may require to determine the amount of Transient Occupancy Tax owed to the City. The tax administrator shall have the right to inspect such records at all reasonable times. Such records shall be maintained at the owner or operator's premises or shall be available for delivery to the tax administrator within one week after request.

5.86.120 Inspections.

A. Every applicant applying for a short-term rental business license shall provide the city access to any premises, property, or dwelling which is the subject of the application, and the city shall be permitted to make any inspections as the city may determine is necessary from time to time throughout the application process. If a short-term rental business license is issued, the city shall be permitted access to the subject premises, property, or dwelling to determine continued compliance with this chapter and/or any conditions of approvals stated in the respective short-term rental business license.

B. The owner shall pay to the city the actual costs of any inspections conducted in accordance with this chapter.

5.86.130 Suspension and revocation.

(a) The Director is authorized to suspend and/or revoke a short-term rental business license issued in accordance with this chapter upon the determination by the Code Enforcement Department of the City through written findings of a failure to comply with any provision of this chapter, any permit condition, or any agreement or covenant as required in accordance with this chapter.

(b) The Director may suspend or revoke a short-term rental business license if any of the following occur:

(1) The Director determines that the short-term rental has failed to comply with any aspect of this chapter, any permit condition, or any agreement or covenant as required in accordance with this chapter; or

(2) Ownership is changed without securing a new short-term rental business license; or

(3) The short-term rental fails to maintain required guest logs and records in accordance with LEMC 5.86.090(J); or

(4) The short-term rental fails to allow inspection of the guest logs and records in accordance with LEMC 5.86.090(J).

(c) The Director shall notify the owner of any suspension or revocation at the last known address for the owner. Such notice shall be provided at least 30 days before the effective date of any suspension or revocation; however, such suspension or revocation shall not affect the stay of any guest that was booked before the date of the suspension or revocation of the short-term rental.

Sec. 5.86.140. - Violations/penalties.

A. Any violation of any provisions of this chapter, at the discretion of the City Attorney or City Prosecutor, is punishable as a misdemeanor or an infraction in accordance with Chapter 1.16 LEMC, or is subject to administrative citation, at the discretion of the City, in accordance with Chapter 1.20 LEMC. Notwithstanding Chapter 1.16 LEMC, a violation of this chapter that is an infraction, and which poses a threat to public health and safety, is punishable by the following:

1. A fine not exceeding one thousand five hundred dollars (\$1,500) for a first violation.

2. A fine not exceeding three thousand dollars (\$3,000) for a second violation within one year.

3. A fine not exceeding five thousand dollars (\$5,000) for each additional violation within one year of the first violation

B. Public nuisance abatement.

1. Any short-term rental that is conducted in violation of any provisions of this chapter is hereby declared to constitute a public nuisance and, as such, may be abated or enjoined from further operation, under the applicable procedures stated in Chapter 8.18 LEMC or any other manner provided by law for the abatement of public nuisances.

2. All costs to abate such public nuisance, including attorneys' fees and court costs, shall be paid by the person causing the nuisance, including the short-term rental licensee and the property owner where the nuisance is occurring.

C. The remedies described in this section are not mutually exclusive. Pursuit of any one remedy shall not preclude City from availing itself of any or all available administrative, civil, or criminal remedies, at law or equity.

D. Any violation of the provisions of this chapter shall constitute a separate offense for every day during which such violation is committed or continued.

5.86.150 Appeals.

The decision of the Director to suspend and/or revoke a short-term rental permit shall be final unless a written appeal of the action is filed in accordance with the provisions stated in LEMC 5.08.300. (Appeal)

5.86.160 Service of notices.

All notices required by this chapter are deemed issued and served upon the date they are either deposited in the United States mail, postage prepaid, addressed to the applicant, short-term rental, or appellant at the mailing address identified in the application, the last updated address on file with the Director's office, or the mailing address on the appeal form; or, the date upon which personal service of the notice is provided to a responsible party.

5.86.170 Requirements are not exclusive.

The requirements of this chapter shall be in addition to any license, permit, or fee required under any other provision of the LEMC. The issuance of any permit in accordance with this chapter shall not relieve any person or entity of any obligation to comply with all other provisions of the Municipal Code.

5.86.180 Amortization and amnesty period.

Owners of short-term rentals shall apply for a short-term rental business license in accordance with this chapter within sixty (60) days after the effective date of this chapter. Owners of short-term rentals who, before the effective date of the chapter, failed to obtain a Transient Occupancy Registration Certificate in accordance with Chapter 3.32 LEMC, may do so without penalty notwithstanding the provisions of Chapter 3.32 LEMC if an application for the certificate is filed no later than sixty (60) days after the effective date of the chapter.