

URGENCY ORDINANCE NO. 3382

**AN URGENCY ORDINANCE OF THE CITY OF CORONA,
CALIFORNIA, ESTABLISHING AN AMORTIZATION
PERIOD AND OPERATIONAL REQUIREMENTS FOR
LEGAL NONCONFORMING SHORT-TERM RESIDENTIAL
RENTAL UNITS.**

WHEREAS, Article XI, § 7 of the California Constitution authorizes cities to make and enforce within their limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, on October 4, 2017, the City Council adopted Ordinance No. 3272 adding Chapter 5.55 to the Corona Municipal Code (“CMC”) to permit and establish regulations for short-term residential rentals, which is defined as the rental of any legally permitted dwelling unit, or one or more portions of any legally permitted dwelling unit, for occupancy purposes for a period of 30 consecutive calendar days or less; and

WHEREAS, since the adoption of Ordinance No. 3272, the City has received numerous noise, nuisance and neighborhood disturbance complaints concerning short-term residential rentals; and

WHEREAS, the City Council has determined that the operation of short-term residential rentals within residential areas and neighborhoods has created significant negative secondary impacts and unreasonable nuisance conditions on surrounding residential properties related to noise, traffic, safety, parking, etc., and disrupts the quietude and character of residential neighborhoods; and

WHEREAS, on October 18, 2023, the City Council adopted Urgency Ordinance No. 3380 and introduced and conducted first reading of Ordinance No. 3381 amending CMC Chapter 5.55 to prohibit short-term residential rental units; and

WHEREAS, the City Council desires to establish an amortization period for legal nonconforming short-term residential rental units to cease operations, as well as to establish operational requirements for legal nonconforming short-term residential rental units to meet during such amortization period; and

WHEREAS, California Government Code § 36937(b) authorizes the City Council to adopt by a four-fifths vote, without following the procedures otherwise required for the adoption for an ordinance, an urgency ordinance which is necessary for the immediate protection of the public peace, health and safety; and

WHEREAS, the City Council has determined that an urgency ordinance is necessary to establish an amortization period and operational requirements for legal

EXHIBIT 4

nonconforming short-term residential rental units because Urgency Ordinance No. 3380 and Ordinance No. 3381 prohibits short-term residential rental units effective October 18, 2023 and it is necessary to have regulations in place by October 18, 2023 to ensure that legal nonconforming short-term residential rental units are permitted to continue to operate during the amortization period and there are operational standards to apply to legal nonconforming short-term residential rental units during the amortization period.

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

SECTION 1. Urgency Findings. In accordance with California Government Code Section 36937(b) and in order to protect the public peace, health and safety, the City Council finds as follows:

A. The Recitals stated above are incorporated herein by reference.

B. Prior to the adoption of Urgency Ordinance No. 3380 and Ordinance No. 3381, CMC Chapter 5.55 regulated the establishment and operation of short-term residential rental units in the City and provided an application process and operational requirements for short-term residential rental units. Pursuant to Urgency Ordinance No. 3380 and Ordinance No. 3381, short-term residential rental units are no longer permitted within the City effective October 18, 2023. The short-term residential rental unit permits that were issued pursuant to CMC Chapter 5.55 prior to October 18, 2023 were valid for a period of one-year from the date of issuance.

C. This Urgency Ordinance must take effect immediately upon adoption and is necessary to ensure that the City has regulations in place for legal nonconforming short-term residential rental units that have a valid, unexpired short-term residential rental permit issued by the City for such unit prior to October 18, 2023. This Urgency Ordinance will provide an amortization period equal to the remaining term of the permit issued for a legal nonconforming short-term residential rental unit and will facilitate the wind down of operations for such units. This Urgency Ordinance will also provide operational standards and regulations that will apply to legal nonconforming short-term residential rental units during the amortization period.

E. The regulations set forth in this Urgency Ordinance are consistent with all of the objectives, policies, general land uses, programs and actions of all elements of the Corona General Plan, and none of the proposed regulations conflict with current General Plan.

F. The regulations set forth in this Urgency Ordinance are not detrimental to and are instead necessary for the immediate preservation and protection of the public convenience, health, safety and general welfare of the City, its residents and businesses, since the regulations will provide a regulatory framework for owners of legal nonconforming short-term residential rental units to cease operations by the end of the amortization period, as well as operational standards that will apply to such units during the amortization period, which will safeguard the peace, safety and general welfare of neighborhoods within the City by minimizing negative secondary effects related to short-term residential rentals.

G. All legal prerequisites to the adoption of this Urgency Ordinance have occurred.

SECTION 2. CEQA Findings. This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the common sense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action establishes an amortization period and provides operational standards for legal nonconforming short-term rentals, and there is no possibility that adopting this Urgency Ordinance will have a significant effect on the environment. Therefore, no environmental analysis is required.

SECTION 3. Purpose. The purpose of this Urgency Ordinance is to impose operational requirements and regulations for the continued use, operation and occupancy of legal nonconforming short-term residential rental units until the end of the amortization period set forth in Section 4 of this Urgency Ordinance in order to safeguard the peace, safety and general welfare of neighborhoods within the City of Corona by minimizing negative secondary effects related to short-term residential rental units, including, but not limited to, excessive noise, disorderly conduct, illegal parking, overcrowding and excessive accumulation of refuse; and to ensure that the city is collecting transient occupancy tax pursuant to Chapter 3.34 of the Corona Municipal Code.

SECTION 4. Legal Non-Conforming Short Term Rental Units. The following shall apply to all legal nonconforming short-term residential rental units:

**AMORTIZATION PERIOD - OPERATIONAL REQUIREMENTS
(LEGAL NONCONFORMING SHORT-TERM RESIDENTIAL RENTAL UNITS)**

I. Definitions.

The following words and phrases, whenever used in this Urgency Ordinance, shall be construed as defined in this section, unless from the context a different meaning is specifically defined and more particularly directed to the use of such words or phrases:

(A) “**Advertisement**” means any printed or lettered announcement, whether in a magazine, newspaper, handbill, notice, display, billboard, poster, email, internet website application, online marketplace, or any other form.

(B) “**Amortization period**” for each nonconforming short-term residential rental unit shall mean the period between October 18, 2023 and the date that the pre-existing permit expires for that unit.

(C) “**Broker**” means any entity or person, including but not limited to, on-line websites, on-line travel agencies and on-line booking agents that offers, lists, advertises, accepts reservations and/or collects whole or partial payment for a short-term residential rental unit.

(D) **"Designated local contacts"** means at least two persons, one of whom shall be available 24 hours per day, seven days per week for the purpose of responding to the location of a nonconforming short-term residential rental unit within 45 minutes to address complaints regarding the condition or operation of said unit or the conduct of the occupants or the invited or uninvited guests of the owner, the owner's authorized agent or the occupants of the owner's nonconforming short-term residential rental unit.

(E) **"Director"** means the Planning and Development Director for the City of Corona or his or her designee.

(F) **"Good neighbor brochure"** means the city's brochure titled "Short-Term Residential Rental Good Neighbor Standards" or a similarly titled brochure made available by the city which briefly describes the city's requirements for the operation, maintenance and use of short-term residential rental units.

(G) **"Legal nonconforming short-term residential rental unit"** means a short-term residential rental unit that, as of October 18, 2023, has a pre-existing permit.

(H) **"Occupancy"** means the use or possession, or the right to the use or possession, of any short-term residential rental unit for dwelling, lodging or sleeping purposes.

(I) **"Owner"** means the person(s) or entity(ies) that hold(s) legal and/or equitable title to the subject short-term residential rental unit.

(J) **"Owner's authorized agent"** means an agent designated by the owner to comply with the requirements of this Urgency Ordinance on behalf of the owner, as provided for in Section 4 of this Urgency Ordinance.

(K) **"Pre-Existing Permit"** means a short-term residential rental unit permit that was duly issued by the City, pursuant to the Corona Municipal Code sections in effect as of the date issued, on or before October 18, 2023.

(L) **"Short-term residential rental"** is defined as the rental of any legally permitted dwelling unit, as that term is defined in Chapter 17.04 of the Corona Municipal Code, or one or more portions of any legally permitted dwelling unit, for occupancy purposes for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying a short-term residential rental shall be deemed to be occupying for a period of 30 days or less until the period of 30 days has expired, unless there is a contract or agreement in writing between the owner and the occupant providing for a longer period of occupancy. **Short-term residential rental** includes any contract or agreement that initially defined the rental term to be greater than 30 consecutive days and which was subsequently amended, either orally or in writing, to permit the occupant(s) of the owner's short-term residential rental to surrender the subject dwelling unit before the expiration of the initial rental term that results in an actual rental

term of 30 consecutive calendar days or less. The rental of rooms or units within city-approved hotels, motels, and bed and breakfasts shall not be considered a short-term rental.

(M) **"Short-term residential rental unit"** is any legally permitted dwelling unit, as that term is defined in Chapter 17.04 of the Corona Municipal Code, all or any portion of which is made available as a short-term residential rental. Each short-term residential rental unit shall have an assigned real property address.

II. Owner's Authorized Agent.

(A) Agent. An owner may in writing authorize an agent to comply with the requirements of this Urgency Ordinance on behalf of the owner. The written authorization for the owner's authorized agent shall be provided to the city.

(B) Owner Responsibility. Notwithstanding subsection (A) of this section, the owner shall not be relieved from any personal responsibility and personal liability for noncompliance 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 noncompliance was committed by the owner, the owner's authorized agent, the occupants of the owner's short-term residential rental unit or the invited or uninvited guests of the owner, the owner's authorized agent or the occupants of the owner's short-term residential rental unit.

III. Legal nonconforming short-term residential rental units; Amortization period until expiration of pre-existing permit.

(A) Amortization Period. From and after October 18, 2023, legal nonconforming short-term residential rental units may continue to operate, in strict accordance with this Urgency Ordinance, but only until the expiration of the pre-existing permit issued for that unit.

(B) Allowed During Amortization Period. The renting, occupancy or advertisement of a legal nonconforming short-term residential rental unit shall be permitted during the amortization period, provided that the owner or owner's authorized agent has a pre-existing permit for such unit. Each legal nonconforming short-term residential rental unit must have its own pre-existing permit.

(C) Broker Pre-Listing Obligation. Prior to listing a short-term residential rental unit for rent or placing an advertisement for a short-term residential rental unit, a broker shall ensure that said unit is a legal nonconforming short-term residential rental unit.

IV. Expiration of pre-existing permit.

(A) No Renewal. No pre-existing permit shall be renewed upon its expiration or revocation.

(B) Cease Operations. The owner and, if applicable, the owner's authorized agent, shall cease all operation of the legal nonconforming short-term residential rental unit on or before the date that the unit's pre-existing permit expires.

(C) Rental Prohibited. From and after the date that a legal nonconforming short-term residential rental unit's pre-existing permit expires, it shall be unlawful for any person or entity to offer or make available for rent or to rent (by way of a rental agreement, lease, license, or any other means, whether oral or written), for compensation or any consideration, such legal nonconforming short-term residential rental unit.

(D) Advertising Prohibited. From and after the date that a legal nonconforming short-term residential rental unit's pre-existing permit expires, it shall be unlawful for any person or entity to place or maintain any advertisement for such legal nonconforming short-term residential rental unit.

(E) Occupancy Prohibited. From and after the date that a legal nonconforming short-term residential rental unit's pre-existing permit expires, it shall be unlawful for any person or entity to occupy, pursuant to a rental agreement, lease, license, or any other means, whether oral or written, for compensation or any consideration, such legal nonconforming short-term residential rental unit.

(F) No New Permit Applications. Commencing on October 18, 2023, no application shall be accepted by the city for a short-term residential rental unit permit.

V. Revocation of pre-existing permit.

(A) Revocation Grounds. The director shall have the authority to revoke a pre-existing permit if any of the following conditions apply in his/her reasonable discretion:

(1) Any false statements or other false information has been provided in the application for a pre-existing permit submitted by the owner and/or the owner's authorized agent.

(2) If, within the past 36 months, the owner or the owner's authorized agent has had a prior short-term residential rental unit permit revoked for the same or other short-term residential rental unit.

(3) If, within the past 36 months, the owner or the owner's authorized agent has failed to comply with the business license requirements of Chapter 5.02 of the Corona Municipal Code for the same or other short-term residential rental unit.

(4) If, within the past 36 months, the owner or the owner's authorized agent has failed to comply with the transient occupancy tax requirements of Chapter 3.34 of the Corona Municipal Code for the same or other short-term residential rental unit.

(5) A violation of any of the conditions included in the pre-existing permit.

(6) A violation of any of the operational requirements provided for in Section VI of this Urgency Ordinance.

(B) Appeal. Any decision of the director regarding the revocation of a pre-existing permit may be appealed pursuant to Chapter 1.09 of the Corona Municipal Code.

VI. Operational requirements for legal nonconforming short-term residential rental units.

The following requirements shall be applicable to each nonconforming short-term residential rental unit:

(A) Transient Occupancy Tax. The owner and, if applicable, the owner's authorized agent shall ensure that the provisions of Chapter 3.34 of the Corona Municipal Code regarding the collection and remittance of transient occupancy taxes are complied with for the nonconforming short-term residential rental unit. A broker that collects any revenue from arranging or listing a nonconforming short-term residential rental unit shall have primary responsibility for collecting, paying and transmitting all revenues due to the city pursuant to Chapter 3.34 of the Corona Municipal Code.

(B) Use and Occupancy Requirements. The owner and, if applicable, the owner's authorized agent shall use all reasonably prudent business practices to ensure that the legal nonconforming short-term residential rental unit is used in a manner that complies with all applicable federal, state and local laws, rules and regulations pertaining to the use and occupancy of the subject legal nonconforming short-term residential rental unit, including, without limitation, all noise or other nuisance avoidance standards.

(C) Good Neighbor Brochure. The owner and, if applicable, the owner's authorized agent shall use all reasonably prudent business practices to ensure that the legal nonconforming short-term residential rental unit is operated, maintained and used in a manner that complies with the city's good neighbor brochure.

(D) Local Contact(s) - Designation. While a legal nonconforming short-term residential rental unit is rented, at least one designated local contact person shall be available 24 hours per day, seven days per week. The owner and, if applicable, the owner's authorized agent shall be responsible for making sure that at least one designated local contact is available at all times and that any person who attempts to contact the designated local contacts can easily determine which designated local contact(s) are available at that time.

(E) Local Contact(s) – Posting Notice. The owner and, if applicable, the owner's authorized agent shall post the name and telephone number of the designated local contact who is on-call that day on the exterior of the legal nonconforming short-term residential rental unit within plain and conspicuous view for the general public. The name and telephone number shall be

typewritten in a bold and clearly readable type font which is either at least a 14 point font or at least one-quarter inch in height.

(F) Local Contact(s) - Response. Upon oral or written notification of a violation, the owner and, if applicable, the owner's authorized agent shall ensure that a designated local contact or other authorized person responds in a timely and appropriate manner to immediately address the situation and prevent a recurrence. Failure of the owner and, if applicable, the owner's authorized agent to respond to such notifications in a timely and appropriate manner shall subject the owner to all administrative, legal and equitable remedies available to the city. For purposes of this section, a violation shall mean any condition or operation of the legal nonconforming short-term residential rental unit or the conduct of the occupants or the invited or uninvited guests of the owner, the owner's authorized agent or the occupants of the owner's short-term residential rental unit which allegedly is causing a violation of applicable federal, state or local laws, rules and regulations pertaining to the use or occupancy of the subject short-term residential rental unit, including, without limitation, any noise or other nuisance avoidance standard.

(G) Subsequent Police Response. In accordance with the provisions of Chapter 9.29 of the Corona Municipal Code, the owner, the owner's agent, the renter or any other person responsible for an event held at a nonconforming short-term residential rental unit may be issued an administrative fine for any subsequent police response to such event.

(H) Noise. Occupants of the legal nonconforming short term residential rental unit shall not generate loud and unnecessary noises inconsistent with Chapter 9.24 of the Corona Municipal Code.

(I) Residential Use. The owner and, if applicable, the owner's authorized agent shall use reasonably prudent business practices to ensure that the legal nonconforming short-term residential rental unit is used for residential purposes only.

(J) Renter Requirements. Prior to occupancy of a legal nonconforming short-term residential rental unit, the owner and, if applicable, the owner's authorized agent shall:

(1) Obtain the name, address and telephone number of the renter.

(2) Provide a copy of the city's good neighbor brochure to the renter. In addition, require the renter to execute a formal acknowledgment that he or she has received the good neighbor brochure and that he or she will be responsible for compliance with the good neighbor brochure by the renter, all occupants and all invited or uninvited guests of the renter and occupants.

(3) Require the renter to execute a formal acknowledgment that he or she is legally responsible for compliance with all applicable federal, state and local laws, rules and regulations pertaining to the use and occupancy of the legal nonconforming short-term residential rental unit, including, without limitation, all noise or other nuisance avoidance standards by the renter, all occupants and all invited or uninvited guests of the renter and occupants.

(4) The information required in subsections (J)(1) through (J)(3) above shall be maintained by the owner and, if applicable, the owner's authorized agent for a period of three years following the end of the rental period. Written copies of the information shall be made available upon request to any city representative for the enforcement of any provision of the Corona Municipal Code or any other applicable law, rule or regulation pertaining to the use and occupancy of the short-term residential rental unit.

(K) Trash and Refuse. Trash and refuse shall not be left stored within public view, except in proper containers as required by the Corona Municipal Code for the purpose of collection by the city's authorized waste hauler on scheduled trash collection days.

(L) On-Site Parking. On-site parking shall be allowed on approved driveway, garage, and/or carport areas only. Parking of over-sized vehicles must comply with the provisions of § 10.20.250 of the Corona Municipal Code.

(M) Occupant Quantity. The number of occupants allowed to occupy any given legal nonconforming short-term residential rental unit shall be limited to two people per bedroom plus one person per unit.

(N) Additional Conditions. The director shall have the authority to impose additional conditions on the use of any given legal nonconforming short-term residential rental unit to ensure that any potential secondary effects unique to the subject short-term residential rental unit are avoided or adequately mitigated.

(O) Permit Number - Advertisements. The owner or, if applicable, the owner's authorized agent shall post the current short-term residential rental permit number for a legal nonconforming short-term residential rental unit on or in any advertisement that promotes the availability or existence of the nonconforming short-term residential rental unit.

VII. Penalties and enforcement.

(A) Any person violating any of the provisions of this Urgency Ordinance shall be deemed guilty of an infraction, and shall be subject to all applicable penalties or punishments available to the city, including, without limitation, those provided for in Chapter 1.08 of the Corona Municipal Code.

(B) Except as otherwise provided, enforcement of this Urgency Ordinance is at the sole discretion of the persons authorized to enforce this Urgency Ordinance. Nothing in this Urgency Ordinance shall create a right of action in any person against the city or its agents for damages or to compel public enforcement of this Urgency Ordinance against private parties.

(C) In addition to any other penalties available to the city, in accordance with the provisions of Chapter 9.29 of the Corona Municipal Code, the owner, the owner's agent, the renter

or any other person responsible for an event at a legal nonconforming short-term residential rental unit may be issued an administrative fine for a subsequent police response to such event.

SECTION 5. Severability. If any provision or clause of this Urgency Ordinance or any application of it to any person, firm, organization, partnership or corporation is held invalid, such invalidity shall not affect other provisions of this Urgency Ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this Urgency Ordinance are declared to be severable.

SECTION 6. Conflicting Ordinances. This Urgency Ordinance shall supersede all other previous City Council resolutions and ordinances that may conflict with, or be contrary to, this Urgency Ordinance.

SECTION 7. Effective Date. This Urgency Ordinance shall become effective immediately upon adoption, if adopted by at least a four-fifths (4/5) vote of the City Council.

SECTION 8. Publication. The Mayor shall sign this Urgency Ordinance and the City Clerk shall attest thereto and shall within fifteen (15) days of its adoption cause it, or a summary of it, to be published in a newspaper and circulated in the City of Corona.

PASSED, APPROVED AND ADOPTED this 18th day of October 2023.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Urgency Ordinance was regularly introduced and adopted at a regular meeting of the City Council of the City of Corona, California duly held on the 18th day of October 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 18th day of October 2023.

City Clerk of the City of Corona, California

[SEAL]