# Exhibit 2 ORDINANCE NO. 5017

AN ORDINANCE AMENDING ARTICLE II, THE SANTA BARBARA COUNTY COASTAL ZONING ORDINANCE, OF CHAPTER 35, ZONING, OF THE COUNTY CODE BY AMENDING DIVISION 5 OVERLAY DISTRICTS TO IMPLEMENT A NEW SHORT-TERM RENTALS-COASTAL HISTORIC OVERLAY DISTRICT WITH REGULATIONS REGARDING THE LAND USE OF SHORT-TERM RENTALS AND MAKE OTHER MINOR CLARIFICATIONS, CORRECTIONS, AND REVISIONS.

#### 17ORD-00000-00008

The Board of Supervisors of the County of Santa Barbara, State of California, ordains as follows:

## **SECTION 1:**

DIVISION 1, In General, of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to change Section 35-53, Overlay District Designations and Applicability, to read as follows:

## Section 35-53. Overlay District Designations and Applicability.

In addition to the regulations governing the zoning districts described in Section 35-52, the following overlay districts and the symbols used to represent them on the zoning maps are established as follows:

AH Affordable Housing

ARC-CI Agriculture Residential Cluster - Channel Islands

CA Carpinteria Agricultural Overlay District

CVC Critical Viewshed Corridor Overlay District

D Design Control

ESH Environmentally Sensitive Habitat Area

F Airport Approach Area

FA Flood Hazard Area

HWMF Hazardous Waste Management Facility

SD Site Design

SF Single Family Restricted

STR-CH Short-Term Rentals-Coastal Historic Overlay

VC View Corridor

The regulations of the overlay district shall apply to the land in the same manner as the zoning district regulations. Overlay district regulations shall apply wherever the symbol and the boundaries of the area are shown on the zoning maps. When a symbol for an overlay district is added to a zoning district symbol, the regulations of the overlay district shall be applicable in addition to the zoning district regulations. If any of the provisions of the overlay district conflict with provisions of the zoning district regulations, the provisions which are most restrictive shall govern. Exceptions may be made for the AH Overlay District provided that the overlay shall be applied in a manner consistent with all applicable policies and provisions of the Local Coastal Program. The provisions of the ESH Overlay District are more restrictive than any base zone district and therefore the provisions of the ESH shall

govern over the regulations of any base zone or other overlay district.

## **SECTION 2:**

DIVISION 2, Definitions, of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to add the following new definition of "Short-Term Rental" to Section 35-58 titled "Definitions," as follows:

**Short-Term Rental.** A structure which is rented for overnight lodging, in whole or in part and with or without the presence onsite of the owner or representative of the owner, for 30 consecutive days or less. Additionally, the following terms are defined for the purposes of Section 35-102 (Short-Term Rentals-Coastal Historic Overlay).

- 1. Hosting Platform. A marketplace which facilitates the consummation of Short-Term Rental agreements through advertising and from which the operator of the Hosting Platform derives compensation for maintaining and operating said Hosting Platform when said Platform displays, in whatever format, information about or relating to a Dwelling available for occupancy on a Short-Term Rental basis.
- 2. Local. Belonging or relating to a particular area or neighborhood, typically within 30 miles of its center.
- 3. Local Contact. A person designated by the Operator who shall be available during the term of any Short-Term Rental for the purpose of responding to complaints regarding the condition or operation of the Dwelling or portion thereof used for Short-Term Rental, or the conduct of Transient Occupants and taking remedial action to resolve such complaints.
- 4. Managing Agency. Any person, enterprise or agency representing, directly or indirectly, the Property Owner or Operator, of a Dwelling which is used as a Short-Term Rental.
- 5. Operator. A person or enterprise who is Property Owner or proprietor of a Dwelling, whether in the capacity of owner, lessee, sub-lessee, mortgagee in possession, licensee, or any other capacity. If the Operator performs his or her functions through a Managing Agency or Rental Agent, the agency or agent is deemed to have the same duties as its principal.

## **SECTION 3:**

DIVISION 5, Overlay Districts, of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to change Section 35-102 titled "Reserved for Future Use," to "STR-CH – Short-Term Rentals-Coastal Historic Overlay" to read as follows:

Section 35-102. STR-CH – Short-Term Rentals-Coastal Historic Overlay.

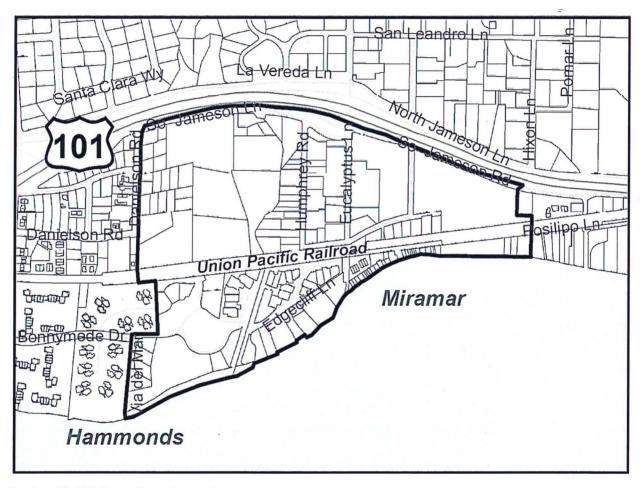
#### Section 35-102.1 Purpose and Intent.

The purpose of this overlay district is to designate an area that allows the use of dwellings as Short-Term Rentals in accordance with the historic nature of this use within the Coastal Zone. The intent of this section is to establish standards that will regulate the use of dwellings as Short-Term Rentals in order to ensure that Short-Term Rentals are compatible with and do not adversely impact surrounding properties.

## Section 35-102.2 Applicability.

The permit requirements and development standards of this overlay zone are applied to areas within the Coastal Zone as depicted in Figure No. 35-102.2.A.

Figure No. 35-102.2.A



#### Section 35-102.3 Permit requirement.

- 1. A dwelling unit located within the Short-Term Rental-Coastal Historic Overlay zone may be used as a Short-Term Rental only in compliance with a Coastal Development Permit issued in compliance with Section 35-169 (Coastal Development Permits) and renewed with a Land Use Permit in compliance with Section 35-178 (Land Use Permits).
- 2. All conditions of the approved Coastal Development Permit and/or Land Use Permit shall be satisfied prior to the commencement of the use of a dwelling unit as a Short-Term Rental.

#### Section 35-102.4 Permitted structures.

Short-Term Rentals shall only be allowed in legal dwelling units, subject to the restrictions of Section 35-102.5.2, below.

## Section 35-102.5 Development standards.

Short-Term Rentals shall comply with all of the following standards in addition to any other applicable standards of this Article.

- 1. Compliance with fire, building, and health codes. Any dwelling used as a Short-Term Rental shall be in compliance with the California Fire Code, California Building Code, California Health and Safety Code, the National Fire Protection Association standards and/or regulations, and other relevant laws and codes regarding carbon monoxide detectors, smoke detectors, emergency egress window, handrails and fire extinguishers, to the satisfaction of the Director.
- 2. Prohibited structures. Short-Term Rentals shall not be allowed in:
  - a. Any dwelling subject to agreements, conditions, or covenants entered into with the County restricting their use including, but not limited to, affordable housing units, agricultural employee housing, and farmworker housing.
  - b. Any structure that is only permitted to be occupied on a temporary basis including, but not limited to, cabañas and guest houses.
  - c. Any structure or space that may not be legally used for dwelling or overnight accommodations including, but not limited to, agricultural accessory structures, tents, trailers, vehicles, and yurts.
- 3. Limit on number of Short-Term Rentals allowed per lot. Only one dwelling shall be used as a Short-Term Rental on any lot.
- 4. Signs. No signs shall be permitted to be located on or off the lot that contains the Short-Term Rental that indicates the presence of the Short-Term Rental.
- 5. Limitation on occupancy. The maximum occupancy shall be no more than two persons per bedroom, excluding children under three years of age.
- **6. Limitation on the number of visitors.** The maximum number of visitors shall not exceed two times the number of transient occupants of the Homestay that are allowed on the lot.
- 7. Parking. Parking shall be provided on-site in compliance with Division 6, PARKING REGULATIONS of this Article except as provided below.
  - 1) Parking spaces for Short-Term Rentals may include garage(s), carport(s) and/or driveway spaces and may be provided in a tandem parking arrangement.
  - 2) No parking associated with the Short-Term Rental shall be allowed on-street.

#### 8. Nuisance Response Plan.

- a. Call response availability.
  - 1) The operator, property owner, or managing agency shall submit the name, address, and telephone number of a local contact who will respond to calls regarding the Short-Term Rental to the Department prior to the issuance of the Coastal Development Permit.
  - 2) The local contact shall be available by telephone on a 24-hour basis to respond to calls regarding the Short-Term Rental.
  - 3) Failure to respond to calls in a timely and appropriate manner may result in revocation of the permit issued to allow the use of a Short-Term Rental.
  - 4) For purposes of this Subsection 8, responding in a timely and appropriate manner means that an initial call shall be responded to within one hour of the time the initial call was made, and a corrective action shall commence within two hours of the initial call, if corrective action is required, to address any violation of this Section.

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- **b. Local contact.** The operator, property owner, or managing agency is required to immediately notify the County with any changes to the local contact.
- 9. **Posted notice within unit.** Each Short-Term Rental shall have a clearly visible and legible notice posted within the unit containing the following information:
  - a. The name and phone number of the local contact available on a 24-hour basis.
  - b. The maximum number of occupants allowed to stay overnight in the unit.
  - c. The maximum number of vehicles allowed to be parked on the property.
  - d. Noise standards.
  - e. Notification that failure to conform to the above standards is a violation of the County Code and subject to penalties and enforcement.
- 10. Noise. The volume of sound generated by the Short-Term Rental shall not exceed 65 dB or existing ambient levels, whichever is greater, at any point beyond the property boundary, except that between the hours of 10 p.m. and 8 a.m., the volume of sound generated by the Short-Term Rental shall not exceed 45 dB or existing ambient levels, whichever is greater, at any point beyond the property boundary.
- 11. Internet Listing. All current internet hosting platforms for the Short-Term Rental and all listing identification numbers shall be provided to the County.

## Section 35-102.6 Renewal of permit.

- 1. A Coastal Development Permit issued for a Short-Term Rental shall only be valid for one year commencing upon the effective date of the Coastal Development Permit, except as provided below.
- 2. The owner or long-term tenant shall obtain a Land Use Permit in conformance with Section 35-178 (Land Use Permits) on an annual basis for renewal and as directed below.
  - a. The Land Use Permit application for the initial renewal and any subsequent renewal shall be submitted no later than 30 days prior to the expiration of the initial Coastal Development Permit or previous Land Use Permit, as applicable.
- 3. If the approval of a Land Use Permit for the renewal of a Coastal Development Permit for a Short-Term Rental has been appealed, then the validity of the Coastal Development Permit shall be extended until processing of the appeal(s) has been completed.

#### Section 35-102.7 Revocation

- 1. A Coastal Development Permit or Land Use Permit to allow a dwelling to be used as a Short-Term Rental may be revoked in compliance with Sections 35-169.8 (Revocation) and 35-178.7 (Revocation).
- 2. In addition to the basis for revocation in Sections 35-169.8 (Revocation) and 35-178.7 (Revocation), the Coastal Development Permit or Land Use Permit may also be revoked if the Applicant, after receiving a Coastal Development Permit and/or any Land Use Permit for renewal of the Coastal Development Permit for the Short-Term Rental:
  - a. makes alterations to the property that would compromise the original permit approval (e.g., removal of required parking, conversion of space);
  - b. is determined to have submitted false or misleading information to the Department, including, but not limited to, information submitted as part of the permit application;
  - c. fails to comply with the permit conditions;
  - d. fails to obtain or comply with any other required County, state, or local permit; or

b. the Department determines that the operator, property owner, managing agency, or local contact failed to comply with the requirements of Section 35-102.5.8 (Nuisance Response Plan).

#### **SECTION 4:**

DIVISION 7, General Regulations, of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to add new Section 35-144T Short-Term Rentals, to read as follows:

#### **Section 35-144T Short-Term Rentals**

## A. Purpose and applicability.

1. **Purpose.** The purpose of this Section is to establish standards that will regulate the use of structures as Short-Term Rentals in order to ensure that Short-Term Rentals are compatible with and do not adversely impact surrounding properties.

## 2. Applicability.

- a. Short-Term Rentals existing as of the effective date of this ordinance (170RD-00000-00008). Short-Term Rentals shall only be permitted in the C1, C2, CH, and C-V zoning districts and in the STR-CH Short-Term Rentals-Coastal Historic Overlay in compliance with Division 4 (Zoning Districts).
  - (1) Short-Term Rentals that may be permitted.
    - (a) For Short-Term Rentals that may be permitted in compliance with Division 4 (Zoning Districts), to continue operating the owner or long-term tenant must apply for and be issued a permit that allows the continued use of a structure as a Short-Term Rental within 90 days following the certification of this ordinance (17ORD-00000-00008) by the California Coastal Commission or within 333 days after the date the Board of Supervisors adopted this ordinance (16ORD-00000-00012), which ever is later.
    - (b) If the required permit is not issued within the timeframe provided in (a) above, then use of the structure as a Short-Term Rental shall cease. If the use of a structure as a Short-Term Rental does not cease, then this use shall be considered a violation of this Development Code and subject to enforcement in compliance with Chapter 35-185 (Enforcement, Legal Procedures, and Penalties).
  - (2) Short-Term Rentals that may not be permitted. The use of a structure as a Short-Term Rental in zones where Short-Term Rentals may not be permitted in compliance with Division 4 (Zoning Districts) shall cease no later than 90 days following the certification of this ordinance (17ORD-00000-00008) by the California Coastal Commission or within 333 days after the date the Board of Supervisors adopted this ordinance (17ORD-00000-00008), whichever is later. If the use of a structure as a Short-Term Rental does not cease within this period, then this use shall be considered a violation of this Article and subject to enforcement in compliance with Chapter 35-185 (Enforcement, Legal Procedures, and Penalties).
- 3. **Permit requirement.** Short-Term Rentals may only be located in certain commercial, special purpose zones and the Short-Term Rental Historic Overlay zone in compliance with the permit requirement identified in Division 4 (Zoning Districts). The required permit shall be obtained and

all conditions of the permit shall be satisfied prior to the commencement of a Short-Term Rental.

#### **SECTION 5:**

DIVISION 6, Parking Regulations, of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to change Section 35-109 titled "Required Number of Spaces: Residential" to read as follows:

## Section 35-108. Required Number of Spaces: Residential.

Parking spaces shall be permanently maintained on the same building site on which the dwelling(s) is located, except as provided in Section 35-76, Medium Density Student Residential, and Section 35-77, High Density Student Residential:

- 1. Single family and two family dwellings: Two spaces per dwelling unit.
  - a. Division 13 (Summerland Community Plan Overlay) and Division 15 (Montecito Community Plan Overlay District) include additional parking requirements. (Added by Ord. 4887, 06/09/2016)

## 2. Multiple Dwelling Units:

- a. Single bedroom or studio dwelling unit: One covered space per dwelling unit.
- **b.** Two bedroom dwelling: One covered space plus 0.5 spaces covered or uncovered per dwelling unit. Such spaces shall be located within 200 feet from the building served by such spaces.
- **c.** Three or more bedroom dwellings: One covered space plus one space covered or uncovered per dwelling unit, located as required in b), above.
- d. Developments located within a radius of one mile of the boundaries of a college or university shall provide a minimum of two parking spaces per dwelling unit, of which one shall be covered.
- e. Visitor parking: One space per five dwelling units.
- 3. Guest houses: One space per guest house.
- **4. Mobile homes in mobile home parks:** One covered space per site and one space for every three sites for guest parking.
- 5. Fraternities, sororities, dormitories, and boarding and lodging houses: One space per four bed spaces and one space per two employees.
- **6.** Retirement and special care homes: One space per guest and one space per two employees.
- 7. Short-Term Rentals: One space per bedroom.

## **SECTION 6:**

All existing indices, section references, and figure and table numbers contained in Section 35-2, of Article II, of Chapter 35, Zoning, of the County Code, are hereby revised and renumbered as appropriate to reflect the revisions enumerated above.

## **SECTION 7:**

Except as amended by this Ordinance, Division 35.2 Montecito Zones and Allowable Land Uses, Division 35.3 Montecito Site Planning and Other Project Standards, and Division 35.10 Glossary, of Article II, of Chapter 35, Zoning, of the Santa Barbara County Code, shall remain unchanged and shall

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continue in full force and effect,. Upon approval of this Ordinance 17ORD-00000-00008, Section 4 (adding Section 35-144T Short-Term Rentals) of this Ordinance 17ORD-00000-00008 shall replace Section 16 (adding Section 35-144T Short-Term Rentals) of Ordinance 16ORD-00000-00012 and Section 16 of Ordinance 16ORD-00000-00012 shall be deemed null and void.

## **SECTION 8.**

This ordinance and any portion of it approved by the Coastal Commission shall take effect and be in force 30 days from the date of its passage or upon the date that it is certified by the Coastal Commission pursuant to Public Resources Code Section 30514, whichever occurs later; and before the expiration of 15 days after its passage, it, or a summary of it, shall be published once, together with the names of the members of the Board of Supervisors voting for and against the same in the *Santa Barbara News-Press*, a newspaper of general circulation published in the County of Santa Barbara.

PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this the 3<sup>rd</sup> day of October, 2017, by the following vote:

AYES:

Supervisor Williams, Supervisor Wolf, and Supervisor Hartmann

NOES:

Supervisor Adam, and Supervisor Lavagnino

ABSTAIN: None
ABSENT: None

JOAN HARTMANN, CHAIR BOARD OF SUPERVISORS COUNTY OF SANTA BARBARA

ATTEST:

MONA MIYASATO, COUNTY EXECUTIVE OFFICER CLERK OF THE BOARD

Deputy Clerk

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI COUNTY COUNSEL

Deputy County Counsel