



City of Malibu

MEMORANDUM

From: Planning Department
Date: November 10, 2020
Re: Malibu Short-Term Rental Ordinance

On December 3, 2019, the Malibu City Council adopted a resolution to initiate an LCP Amendment (LCPA) and Zoning Text Amendment (ZTA) to regulate the short-term rental of residential property, similar to the home-sharing ordinance implemented by the City of Santa Monica.

At the December 3 Special Meeting, Council also directed staff to a) include a robust definition section in the proposed ordinance, b) analyze and incorporate information from September 10, 2019, City of Santa Monica staff report regarding amendments to the ordinance to strengthen regulation of home-sharing, as well as suggestions submitted by Michael Lustig, as appropriate; and c) look into platform liability and limitation issues; and 3) directed the Planning Commission to schedule a public hearing regarding the same. At the December 3 Special Meeting, Council also considered ZTA No. 17-002, which was designed to put short-term rental regulatory measures in place until the Santa Monica-style ZTA/LCPA could be processed and go into effect. However, the Council did not adopt the ZTA at this time.

A Special Planning Commission meeting originally scheduled for the ZTA/LCPA for the Santa Monica-style "Hosted" Ordinance on March 30, 2020, was cancelled due to the COVID-19 pandemic and rescheduled to take place on July 29, 2020.

On July 29, 2020, the Planning Commission considered the LCPA and ZTA for the Hosted Ordinance, specifically LCPA No. 19-003 and ZTA No. 19-005, regulating the rental of residential units for 30 days or less (short-term rentals) which included, but was not limited to, amendments similar to those implemented in the City of Santa Monica including requiring the presence of an onsite host during short-term rentals, other restrictions, and clarifying permitted uses related to the short-term rental of residential property.

On August 10, 2020, the City Council held a public hearing to again consider ZTA No. 17-002, previously considered on December 3, 2019, which was designed to put short-term rental regulatory measures in place without changing the uses allowed in the City. ZTA No. 17-002 would be superseded by Hosted Ordinance (LCPA No. 19-003 and ZTA No. 19-005) after approval by City Council and upon LCPA No. 19-003 being certified by the California Coastal Commission and going into effect. Council did not adopt ZTA No. 17-002 at this time and instead provided additional direction.

November 11, 2020

Based on City Council direction at the August 10, 2020 meeting, staff prepared three draft ordinances which were discussed at the public hearing held by the City Council on September 14, 2020. The three draft ordinances included the following: 1) ZTA No. 17-002, as presented and discussed on August 10, 2020, 2) a revised/pared-down version of ZTA No. 17-002 that focuses on providing enforcement tools against nuisance properties, known as the Enforcement Ordinance or Ordinance No. 468, and 3) the Santa Monica-style "Hosted" STR Ordinance (LCPA No. 19-003/ZTA No. 19-005) and the Planning Commission's recommendations thereon. Per the Council's previous direction, the draft Hosted Ordinance requires a host onsite but not in the rented unit during the short-term rental of property and requires the rented property be the primary residence of the property owner.

On September 14, 2020, the City Council voted to schedule the Enforcement Ordinance (Ordinance No. 468) for second reading and adoption at the Council meeting on September 29, 2020. Ordinance No. 468 requires a new STR Permit in order to operate a short-term rental property and provides enforcement tools against nuisance properties while the Hosted STR ordinance is processed.

On September 29, 2020, the City Council voted to adopt the Enforcement Ordinance (Ordinance No. 468). Ordinance No. 468 requires a new STR Permit in order to operate a short-term rental property and provides enforcement tools against nuisance properties while the Hosted STR ordinance is processed. **The effective date of the ordinance is January 15, 2021**, which was selected to allow sufficient time for the City and property owners currently renting their property on a short-term basis to prepare for the new STR permit protocols. The January 15, 2021 effective date is intended to allow sufficient time for the City and property owners currently renting their property on a short-term basis to prepare for the new STR permit protocols.

Also on September 14, 2020, Council directed that the Santa Monica-style "Hosted" STR Ordinance, which involves a Local Coastal Program (LCP) amendment and Zoning Text Amendment (ZTA) to the Malibu Municipal Code, to be updated and brought back to a future meeting (scheduled for October 26, 2020 and postponed to [November 5, 2020 due to power outages - See Items 4A and 4B](#)), with the changes listed below:

- Allow guest houses to be used for short-term rental but require that a short-term rental permit designate only one specific unit on the single-family residence property to be listed;
- Require the property owner to be onsite during short-term rental except that a designated operator, other than the owner, is allowed to host short-term rentals for up to two months cumulatively per calendar year with two week notice to the City modifying the short-term rental permit;
- Require designated operator be present onsite between the hours of 9:00 PM and 6:00 AM during hosted short-term rentals;
- Allow one unit of a duplex to be rented short-term if the owner lives onsite in the other; and
- Allow up to 40% or up to two units maximum (whichever is fewer) of multifamily properties to be rented short-term if the other onsite units are rented long-term.

The "Hosted" ordinance would require the presence of an onsite host during most short-term rentals and the STR property be the primary residence of the property owner, among other requirements.



November 11, 2020

On November 5, 2020, Council directed staff to schedule second reading and adoption of Ordinance No. 472 for the November 9, 2020 meeting; and adopt Resolution No. 20-51 amending LCP Land Use Plan (LUP) Chapter 5 to address short-term rental use in residential zones. This Santa Monica-style "Hosted" STR Ordinance, involves a Local Coastal Program (LCP) amendment and Zoning Text Amendment (ZTA) to the Malibu Municipal Code. If approved by City Council, the LCP amendment would have to be certified by the California Coastal Commission before the regulations could go into effect.

Also on November 5, 2020, Council adopted an amendment to the Fee Schedule for Fiscal Year 2020-2021 to add a Short-term Rental (STR) Permit Fee of \$294.

For referenced meeting materials, visit the City's short-term rental ordinance project web page at malibucity.org/str or visit OnBase at <https://malibucity.org/794/OnBase-Portal>. Also, to view City meeting videos, visit malibucity.org/videos.

