

RESOLUTION NO. 2016-06

A RESOLUTION OF THE CITY OF NEVADA CITY APPROVING BALLOT MEASURE TEXT TO BE SUBMITTED TO THE VOTERS ON AN INITIATIVE MEASURE TO ENACT ZONING ORDINANCE AND GENERAL PLAN AMENDMENTS TO PERMIT AND RESTRICT HOME-SHARING SHORT-TERM RENTALS OF ROOMS IN SINGLE FAMILY RESIDENCES OR GUEST HOUSES BY OWNER OCCUPYING MAIN DWELLING TO BE INCLUDED WITH THE GENERAL MUNICIPAL ELECTION CONSOLIDATED WITH THE STATE-WIDE PRIMARY ELECTION OF JUNE 7, 2016

WHEREAS, the City Council of the City of Nevada City, when presented with a signed initiative petition to allow Hosted Short-Term Rentals in Nevada City Residential Zones at a regular scheduled meeting on November 18, 2015, decided to adopt the Initiative without change pursuant to California Elections Code §9215 by Resolution No. 2015-51, completing such adoption on December 9, 2015 by adoption of Resolution No. 2015-52 amending the General Plan per the Initiative and by adoption of Ordinance No. 2015-12 adding a new Section 17.72.080 of Chapter 17.72 to the Municipal Code per the Initiative; and

WHEREAS, the City Council of the City of Nevada City, when presented with another different signed initiative petition to permit and restrict Home-Sharing Short-Term Rentals at a regular scheduled meeting on December 9, 2015, elected to submit that Initiative to the voters at the general municipal election on June 7, 2016 by passing and adopting Resolution No. 2015-53, a Resolution of the City of Nevada City Submitting an Initiative Measure to Enact Zoning Ordinance and General Plan Amendments to Permit and Restrict Home-Sharing Short-Term Rentals of Rooms in Single-Family Residences or Guest Houses by Owner Occupying Main Dwelling and Council Action Thereon to the Voters at the General Municipal Election on June 7, 2016, which Resolution further directed preparation and submittal for approval of such resolutions and orders as may be necessary for implementation; and

WHEREAS, the City Council of the City of Nevada City on January 13, 2016, passed and adopted Resolution 2016-02 requesting consolidation of regularly scheduled municipal election with the general state-wide primary election to be held on June 7, 2016; and

WHEREAS, Resolution No. 2015-53 by attachment sets forth the Ballot Title and Summary of the measure Prepared by the City Attorney for the Home-Sharing Short-term Rental Initiative and the full text of the measure, but that Resolution does not set forth the form of the question to appear on the ballot:

NOW THEREFOR IT IS HEREBY RESOLVED by the City Council of the City of Nevada City approves for submittal to the voters at the June 7, 2016 Primary election the following question:

Shall the recently enacted hosted short-term rental regulations resulting from adoption by the City Council of Nevada City of a prior voter initiative (effective January 8, 2016) be repealed and replaced with the more restrictive provisions of an alternative voter initiative permitting on-line type home-sharing short-term rentals of two units in a single-family residence or small guest house only if the owner occupies the main dwelling and off-street parking is provided and making related General Plan amendments?

YES _____ NO _____

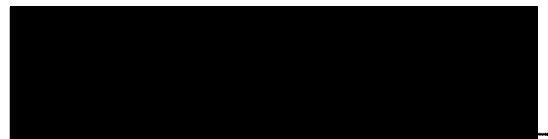
PASSED AND ADOPTED at a regular scheduled meeting of the City Council held on this 27th day of January, 2016 by the following vote:

AYES: **PHELPS, STRAWSER, BERGMAN**

NOES: **RAY, ANDERSEN**

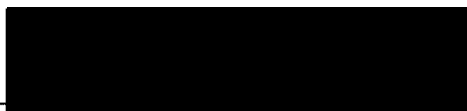
ABSENT: **NONE**

ABSTAIN: **NONE**



Jennifer Ray, Mayor

ATTEST:



Niel Locke, City Clerk

RESOLUTION 2016-02

**RESOLUTION OF THE CITY OF NEVADA CITY
CALLING GENERAL MUNICIPAL ELECTION**

WHEREAS, an election will be held within the City of Nevada City on Tuesday, June 7, 2016 for the purpose of electing three (3) members to the City Council and a City Clerk; and

WHEREAS, whenever two or more elections are called to be held on the same day, in the same territory or in part of the same territory, such elections should be consolidated.

BE IT RESOLVED, that the City of Nevada City requests the governing body of the County of Nevada, as prescribed by Elections Code Section 10402 and 10403 to consolidate the regularly scheduled municipal election with any other elections to be held on June 7th, 2016; and

BE IT FURTHER RESOLVED, the candidate is to pay for the publication of the candidate's statement, pursuant to Election's Code Section 10509. The limitation on the number of words that a candidate may use in his/her Candidate's Statement is 200 words; and

BE IT FURTHER RESOLVED, the City of Nevada City agrees to reimburse the County of Nevada for the City's prorated share of the costs of the election.

PASSED AND ADOPTED at a regularly scheduled meeting of the Nevada City City Council on the 13th day of January, 2016 by the following vote.

AYES: RAY, PHELPS, ANDERSEN, BERGMAN

NOES: NONE

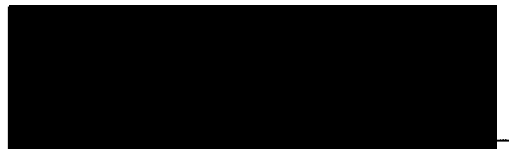
ABSTAIN: NONE

ABSENT: STRAWSER

ATTEST:



Niel Locke, City Clerk



Jennifer Ray, Mayor

RESOLUTION NO. 2015-53

**A RESOLUTION OF THE CITY OF NEVADA CITY SUBMITTING AN INITIATIVE MEASURE
TO ENACT ZONING ORDINANCE AND GENERAL PLAN AMENDMENTS
TO PERMIT AND RESTRICT HOME-SHARING SHORT-TERM RENTALS OF ROOMS IN SINGLE-
FAMILY RESIDENCES OR GUEST HOUSES BY OWNER OCCUPYING MAIN DWELLING AND
COUNCIL ACTION THEREON TO THE VOTERS AT THE GENERAL MUNICIPAL ELECTION ON
JUNE 7, 2016**

WHEREAS, an Initiative petition to enact zoning ordinance and general plan amendments to permit and restrict home-sharing short-term rentals of rooms in single-family residences or guest houses by owner occupying main dwelling has been certified by the county elections official as containing verified signatures of more than ten percent (10%) of the voters of the City according to the last report of registration by the county elections official to the Secretary of State pursuant to Elections Code Section 2187; and

WHEREAS, the signed Initiative petitions contain a request that the initiative measure be submitted to a vote of the people; and

WHEREAS, under Elections Code Sections 9215(a), (b), and 1405(a), in circumstances where the above-stated facts exist, the Council must either adopt the Initiative measure at the meeting where the regular meeting at which the certification is presented to the Council or order that the Initiative measure be submitted to the voters at the next election; and

WHEREAS, the Council has determined it is in the best interest of the City and its citizens to submit the Initiative measure to the City's voters to determine whether the Initiative measure should or should not be adopted:

NOW THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Nevada City the Initiative measure titled "Initiative Measure to Enact Zoning Ordinance and General Plan Amendments to Permit and Restrict Home-Sharing Short-Term Rentals of Rooms in Single-Family Residences or Guest Houses by Owner Occupying Main Dwelling", attached hereto as Exhibit "A" and incorporated herein by such reference, shall be submitted to the voters at the general municipal election on June 7, 2016 and staff shall prepare and submit for approval such resolutions and orders as are necessary to implement this Resolution.

PASSED AND ADOPTED at a regular scheduled meeting of the City Council held on this 9th day of December, 2015 by the following vote:

AYES: RAY, PHELPS, ANDERSEN, STRAWSER, BERGMAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

ATTEST:


Niel Locke, City Clerk


Jennifer Ray, Mayor

Ballot Title and Summary Prepared by City Attorney for Home Sharing Short-term Rental Initiative

TITLE: INITIATIVE MEASURE TO ENACT ZONING ORDINANCE AND GENERAL PLAN AMENDMENTS TO PERMIT AND RESTRICT HOME SHARING SHORT-TERM RENTALS OF ROOMS IN SINGLE-FAMILY RESIDENCES OR GUEST HOUSES BY OWNER OCCUPYING MAIN DWELLING

SUMMARY: Since 1994, when voters approved initiative Measure F repealing City zoning regulations that allowed short-term rental facilities and amending General Plan provisions to prohibit the use of housing units for recreational rentals, there have been no provisions allowing new on-line type rentals like Airbnbs and VRBOs in Nevada City. This is the second initiative measure proposing legislation to amend Nevada City Municipal Code zoning regulations and Nevada City General Plan provisions to define, permit, and regulate such uses. This initiative would permit short-term rentals not to exceed 30 days of up to two sleeping rooms (that may include bathrooms) in a single-family dwelling or guest house, designated “home sharing short-term rentals”, as principal permitted uses in all single-family residential zones in the City and in other zones where single-family dwellings and their associated guest houses are located through a ministerial permit and annual registration process, subject to certain stated restrictions. As contrasted with the other hosted short-term rental initiative, this initiative would prohibit short-term rental of an entire residence or second unit; limit occupancy to no more than two persons per room; and require at least one owner to reside on the property in the main part of the dwelling throughout the rental, also precluding use of the property solely for hosted short-term rentals. Both initiatives would require units to be rented to comply with all building and similar codes, including sanitation requirements; limit vehicles to one per sleeping room rented; and disallow commercial meetings or special events or gatherings for direct or indirect compensation. The City would receive transient occupancy tax, currently assessed at 10% of the rent charged. This initiative requires a review and enforcement fee to be developed by the City; authorizes adoption and modification of procedures for registration of rental properties; and provides for conduct guidelines and revocation of permits for failure to comply with adopted standards. This initiative contains more extensive General Plan amendments to the Housing element, including definitions related to the proposed home sharing short-term rentals and language allowing such rentals, distinguishing them from entire house or whole house short-term rentals, recreational and vacation rentals, and bed & breakfast inns.

Notice of Intent to Circulate Petition

Notice is hereby given by the persons whose names appear hereon of their intention to circulate the petition within the City of Nevada City to enact an ordinance for the purpose of allowing and regulating home sharing short-term rentals of up to two bedrooms within single family zones and in single family residences in other zones and in their associated guest houses when the owner is in residence. This measure would also continue to prohibit short-term rentals of entire single family homes in residential zones as is currently required by the Nevada City General Plan.

A statement of the reasons of the proposed action as contemplated in the petition is as follows:

LIMITING SHORT-TERM VACATION RENTALS IS STILL A GOOD IDEA

In 1994 Nevada City voters prohibited short-term rental lodging in residences because this conserves housing for long-term owners and long-term renters in our neighborhoods. Nevada City continues to be a real community, and a great place to live and visit. We are not just a tourist town.

A NEW PROPOSAL SPONSORED BY SHORT-TERM RENTAL OWNERS GOES TOO FAR- IT WILL HARM OUR NEIGHBORHOODS

Recently, a ballot initiative has been proposed by a group called "Nevada City Hosts" which includes operators of some of these vacation rentals. Their proposal would commercialize our residential neighborhoods. It would:

- Allow partial and entire house short-term rentals with no owner or manager in residence as a host
- Allow on street neighborhood parking by the paying lodgers
- Not provide adequate regulation or enforcement

WE WILL LOSE HOMES FOR RESIDENTS: FAMILIES, OWNERS, RENTERS IF THE OTHER INITIATIVE IS PASSED

The other initiative allows short-term rentals of entire houses. Rents and home prices in Nevada City are already being driven up by investors willing to pay over the appraised value for houses to use as commercial lodging ventures. If the "Nevada City Hosts" initiative passes, long-term residents will suffer the loss of housing.

ENFORCEMENT OF REGULATIONS IS IMPORTANT

Our measure includes effective regulations on parking, owner occupancy and special events and allows a fee to fund enforcement and a system to ensure that neighborhood complaints will be followed up on.

SUMMARY- THIS INITIATIVE PROPOSES A FAIR COMPROMISE ALTERNATIVE

We think it is fine to allow our neighbors to share their homes by renting bedrooms to short-term lodgers. However, short-term rentals of whole houses are prohibited in our measure and by the Nevada City General Plan due to their impact on housing supply. In addition, under the other initiative, the owners would gain the right to turn entire houses into rental businesses, but their neighbors would lose the right to quiet enjoyment of their homes which is the main reason many of us moved to Nevada City. The right to enjoy our residential neighborhoods should not be sacrificed for commercial endeavors.

/s/ [REDACTED]		
Sharon Tobiassen Former Nevada City Council Member	Gary Johnson Drummond Street resident	Howard Hamer Concerned neighbor

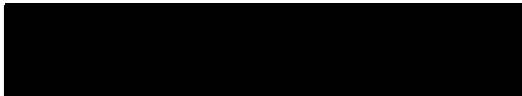
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We, Sharon Tobiassen, Gary Johnson, and Howard Hamer acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. We certify that we will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

Signed:



Dated this 9th day of October, 2015



Dated this 9th day of October, 2015



Dated this 9th day of October, 2015

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To the City Clerk of the City of Nevada City:

We, the undersigned and qualified voters of the City of Nevada City, hereby propose an initiative measure to amend the City of Nevada City General Plan and the City of Nevada City Municipal Code to permit and regulate home sharing short-term rentals within single family zones and in single family dwellings in other zones and in their associated guest houses when the owner is in residence. This measure would also continue to prohibit short-term rentals of entire single family dwellings in residential zones as is currently required by the Nevada City General Plan. We petition you to submit this measure to the City Council of the City of Nevada City for submission of the measure to the voters of the City of Nevada City at the earliest general or special election for which it qualifies.

The measure provides as follows:

Initiative to Protect Neighborhoods from Vacation Rental Impacts

The people of the City of Nevada City do hereby ordain as follows:

Section 1. Purpose and Findings

- A. Purpose and Effect.** Short-term transient rental lodging was prohibited in Nevada City's residential neighborhoods by the voters in 1994 in Measure F. The intent of that voter initiative was to preserve Nevada City's residential neighborhoods from commercialization and intrusive activities, to preserve a healthy balance of tourism and residential areas, and to maintain rental and for sale housing stock for long-term renters and homeowners.

In the past few years, new on line rental agencies such as AirBnB and VRBO have been formed which make it easier for homeowners to offer rooms and entire homes for short-term lodging even though it is not permitted.

The new on line rental agencies have facilitated two new trends: 1) Homeowners renting out bedrooms or guest houses to visitors, and two (2) entire house vacation rentals.

1. It is unclear if the new type of room rentals were envisioned or meant to be prohibited by the voters in 1994. The effect of this Initiative will be to clarify definitions and regulations to permit this type of short-term rental.
2. It is, however, very clear that entire house short-term rentals were and are prohibited by Measure F. And it is the entire house recreation rentals that are already having the most impacts- vacant houses for much of the week, loss of resident neighbors, and less housing available to residents – both renters and homeowners. In the past two years, these entire house short-term rentals have dramatically increased. In 2014 and 2015 roughly 20 entire house short-term rentals have been offered for rent in Nevada City limits. Approximately 40% of Nevada City's housing units are rentals and the families in these homes are vulnerable to this trend. This Initiative would have the effect of stopping the loss of more homes to entire house vacation rentals by continuing their prohibition.

It has been difficult for the City to enforce the prohibition of entire house vacation rentals even after many neighbor complaints. This Initiative would require an enforcement program and a fee to fund it.

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B. Findings. Other cities have been overwhelmed by short-term transient rental lodging particularly in entire homes, experiencing a drastic loss in available housing especially long-term rentals, a change in neighborhood character, and a loss of residents and families. Cities like Santa Barbara, Ojai, Santa Monica, Huntington Beach, and Coronado have seen the need to prohibit whole house short-term vacation rentals.

Other communities closer to us like Tahoe City and Mendocino have experienced heavy loss of long-term residents due to a proliferation of entire house vacation rentals, creating a ghost town effect during certain seasons and during the week. This Initiative will avoid this type of impact.

The existing prohibition on transient rental of entire single family homes has for many years helped Nevada City hold onto a vibrant, balanced community with a high quality of life in our neighborhoods.

Another initiative has been proposed by short-term rental business owners which does not provide adequate regulations or enforcement to protect neighbors from parking impacts or special events held by the lodgers, does not require a homeowner to live in the home during short-term room rentals, and it allows entire house vacation rentals. This Initiative addresses these concerns.

Section 2. Amendment of City of Nevada City Municipal Code

Section 17.72.080 is hereby added to the City of Nevada City Municipal Code to read in full as follows:

A. Definitions. The following terms shall have the following definitions in this section.

1. "Owner" shall mean the record owner of the Property.
2. "Manager" shall mean the Owner of a Unit(s) under this section.
3. "Single family dwelling" is as defined in Nevada City Zoning Ordinance Section 17.12.110.
4. "Housing unit" means a Single family dwelling, or a dwelling unit within a "Multiple unit" as defined in Nevada City Zoning Ordinance Section 17.12.100.
5. "Unit(s)" means bedroom(s) in a Single family dwelling or a Guest house with no more than 2 bedrooms.
6. "Property" shall mean a parcel of land which includes a "Unit(s)" to be used as a "Short-term rental" or "Home sharing short-term rental".
7. "Guest houses" means living quarters within a detached building located on the same premises with the main building, for use by temporary guests of the occupants of the premises; such quarters may have a bath and toilet facilities, but no kitchen facilities and not be rented or otherwise used as a separate dwelling. Guest houses must be less than three hundred (300)

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square feet in area. All other detached buildings with toilet facilities on a lot with an approved guest house are considered second units and must meet the requirements of the ordinance codified in this section. (*Nevada City Zoning Ordinance Section 17.72.038.*)

8. "Owner shall reside" shall mean the Owner living and present in the main Single family dwelling on the Property during Short-term rental periods.
9. "Sleeping room" means "Bedroom" and consists of a room to sleep in and may include a bathroom.
10. "Home sharing short-term rental" or "Short-term rental" shall mean the rental of up to two (2) Sleeping rooms total in a Single family dwelling unit or its legal Guest house or within a combination of these structures on one Property for less than thirty (30) days while at least one Owner shall reside in the main Single family dwelling on the Property throughout the stay.
11. "Entire house short-term rental", "Whole house short-term rental", "Vacation rental" or "Recreational rental" shall each mean rental of an entire single family dwelling to any person for tourist, transient, visitor use or the like of less than thirty (30) days.
12. "Bed and Breakfast Inn" means existing Single family dwellings with 1-6 guest rooms rented out short-term, possessing a valid use permit issued prior to the date of enactment of this Ordinance.

B. Permitted. Home sharing short-term rentals. Notwithstanding anything to the contrary in this code, Home sharing short-term rentals are permitted in all single family residential zones and in Single family dwellings in other zones and in their associated Guest houses only, subject to the provisions in this Ordinance.

C. Not Permitted. Entire House Short-Term Rentals, Whole House Short-Term Rentals, Vacation Rentals, Recreational Rentals. Entire house short-term rentals, Whole house short-term rentals, Vacation rentals and Recreational rentals, which are interchangeable terms, are not permitted in any residential zone as is required in the Nevada City General Plan. Short-term rental of a portion of a home other than a Bedroom and associated bathroom or a Guest house is not permitted. If a Bedroom is offered for Short-term rental a Home sharing short-term rental permit is required.

D. Regulations of Home Sharing Short-Term Rentals. Home sharing short-term rental of Sleeping rooms and Guest houses are subject to the following terms and conditions:

1. **Permit and Registration Required.** A Home sharing short-term rental permit shall be required prior to offering rooms for Home sharing. The original issuance of a Home sharing short-term rental permit shall be processed ministerially upon the filing of a full and complete application by the Owner. Thereafter, the Owner shall register the Property annually with the City and receive City ministerial review of compliance with

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all relevant regulations prior to continue to offer any sleeping room or Guest house for a Home sharing short-term rental. The Owner shall affirm in such permit and annual registration that he, she or it shall comply with all requirements of this Section. The City may adopt and modify procedures for the registration of Properties consistent with the requirements of this Section. The permit shall run with the Owner and shall automatically expire upon sale or transfer of the property.

2. **Review and Enforcement Fee Required.** A one-time fee shall be required to process the initial application and an annual review and compliance fee shall also be required. The City shall be responsible for developing the fee to ensure that it will provide full funding of cost of City application processing, monitoring, compliance review and enforcement of this Ordinance.
3. **Where Permitted.** Home sharing short-term rentals are permitted in all single family residential zones and in Single family dwellings and in their associated Guest houses in all other zones.
4. **Number of Units.** No more than two (2) Sleeping rooms in a Single family dwelling or its Guest house with no more than two (2) Sleeping rooms or a combination of two (2) Sleeping rooms between both of these structures may be rented or offered as a Home sharing short-term rental at the same time.
5. **Occupancy.** No more than two (2) persons per short-term rental Sleeping room will be allowed.
6. **Second units.** Second units may not be rented for Home sharing short-term rentals in order to conserve affordable long-term housing for Nevada City residents.
7. **New structures.** New structures may not be constructed for Home sharing short-term rental purposes.
8. **Owner in Residence.** An Owner shall reside in the main residence on the Property during Short-term rental stays and shall have full use of the home other than the rented Bedrooms and associated bathrooms or Guest house during these stays. It is the intent of this Ordinance that an Owner may not reside in a small portion of a house and rent the remainder of the house out Short-term. It is the intent that Home sharing short-term rentals constitute a use secondary to the main use of the home by the Owner.
9. **Code Compliance.** Units shall comply with all applicable building and similar codes, including providing all required sanitation facilities.
10. **Parking.** No more than one (1) vehicle per Home sharing short-term rental sleeping room shall be allowed. Parking shall be provided on site in a location and design consistent with Nevada City Design Guidelines or off site in a location that will ensure no net loss of on street parking in the City. On-site parking spaces should not eliminate full time Property resident parking.
11. **Length of stay.** Home sharing short-term rental maximum stays shall consist of less

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- than thirty (30) days per renter per Property.
12. **Noise.** Chapter 8.20 of the Municipal Code shall apply to Home sharing short-term rentals and shall be enforced.
 13. **Taxes and Licenses.** The Owner shall comply with the requirements of Chapter 3.24 of this Code, including paying all applicable transient occupancy tax and obtaining a Nevada City Business License.
 14. **Other Code Provisions and Special Events.** The Owner shall comply with all applicable provisions of this Code and other applicable law. This Section does not authorize any activity otherwise prohibited by applicable law. Without limiting the foregoing, commercial meetings or special events such as luncheons, parties, weddings, charitable fundraising, or other gathering for direct or indirect compensation hosted by Home sharing short-term renters and individuals who are not Short-term renters are not allowed. In addition, these same types of meetings or special events, including for no direct or indirect compensation, hosted personally by Home sharing short-term renters are also not allowed. In addition to any other applicable remedies, any violation of this section shall constitute a public nuisance addressed in Municipal Code Chapter 8.04.

E. Enforcement of Regulations

1. The Home sharing short-term rental permit may be revoked for failure to comply with the adopted standards, subject to the City's administrative procedures and due process.
2. Complaints on violation of this ordinance will be directed to the City Planner for an investigation of whether or not the regulations have been violated. If regulations have been violated, a Notice of Violation shall be issued, a hearing shall be held, and a penalty may be imposed in accordance with Municipal Code Chapter 17.124 or the permit may be revoked. If the permit is revoked, an Owner may reapply for a Home sharing short-term rental permit after one (1) year has elapsed.
3. The Owner, prior to the initial Home sharing short-term rental, will distribute to all properties within 300 feet of the Home sharing short-term rental Property a courtesy neighborhood notice of their intent to provide Home sharing short-term rental(s), a copy of this Ordinance and a copy of the application including a statement of how short-term renters will be accessing the Property and where they are required to park.
4. Conduct Guidelines set forth by the City of Nevada City including those in this Ordinance shall also be presented to Home sharing short-term renters prior to or upon their occupancy of the unit.
5. All advertising for permitted Home sharing short-term rentals shall include the occupancy limits, parking standards, and meeting/special event restrictions in this Ordinance.

Section 3. Amendment of City of Nevada City General Plan

The following definitions shall be added to the Nevada City General Plan Housing Element.

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(Where underlined and bolded, as exemplified here, an addition to the General Plan is noted.)

1. "Single family dwelling" is as defined in Nevada City Zoning Ordinance Section 17.12.110.
2. "Housing unit" means a Single family dwelling or a dwelling unit within a "Multiple unit" as defined in Nevada City Zoning Ordinance Section 17.12.100.
3. "Unit(s)" means bedroom(s) in a Single family dwelling or a Guest house with no more than two (2) Sleeping rooms.
4. "Property" shall mean a parcel of land which includes a "Unit(s)" to be used as a "Short-term rental" or "Home sharing short-term rental".
5. "Guest houses" means living quarters within a detached building located on the same premises with the main building, for use by temporary guests of the occupants of the premises; such quarters may have a bath and toilet facilities, but no kitchen facilities and not be rented or otherwise used as a separate dwelling. Guest houses must be less than three hundred (300) square feet in area. All other detached buildings with toilet facilities on a lot with an approved guest house are considered second units and must meet the requirements of the ordinance codified in this section. (Nevada City Zoning Ordinance Section 17.72.038.)
6. "Owner shall reside" shall mean the Owner living and present in the main Single family dwelling on the Property during Short-term rental periods.
7. "Home sharing short-term rental" or "Short-term rental" shall mean the rental of up to two (2) Sleeping rooms total in a Single family dwelling unit or its legal Guest house or within a combination of these structures on one Property for less than thirty (30) days while at least one Owner resides in the main Single family dwelling on the Property throughout the stay.
8. "Entire house short-term rental", "Whole house short-term rental", "Vacation rental" or "Recreational rental" shall each mean rental of an entire Single family dwelling to any person for tourist, transient, visitor use or the like of less than thirty (30) days.
9. "Bed and Breakfast Inn" means existing Single family dwellings with 1-6 guest rooms rented out short-term, possessing a valid use permit issued prior to the date of enactment of this Ordinance.

Section 4. Amendment of the Nevada City General Plan

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- A. Section 2, Table 2.00-5 of the Housing Element within the City of Nevada City General Plan is amended to replace the third column of Number (42) related to Policy 4-1-1 with the following. (Where **underlined and bolded**, as exemplified here, an addition to the General Plan is noted.)

“There have been numerous conversions of entire houses for use as Recreation rental or Vacation rentals.”

- B. Section 2, Table 2.00-5 of the Housing Element within the City of Nevada City General Plan is amended to replace the fifth column of Number (42) related to Policy 4-1-1 with the following. (Where **underlined and bolded**, as exemplified here, an addition to the General Plan is noted.)

“Retain prohibition of the use of Housing units for Short-term Recreational rentals in accordance with voter initiative regulations but modify to include allowance of Housing units which are single family dwellings or Guest houses for Home sharing short-term rental units.”

Section 5. Amendment of City of Nevada City General Plan

Section 6, Table 6.15 of the Housing Element within the City of Nevada City General Plan is amended to replace the first column of Number (28) related to Policy 4-1-1 with the following. (Where **underlined and bolded**, as exemplified here, an addition to the General Plan is noted.)

“Prohibit the use of Housing units for Short-term Recreational rentals in accordance with voter initiative regulations. Allow Home sharing short-term rental units in Housing units that are Single family dwellings or Guest houses. These differ from Entire House or Whole house short-term rentals, Recreational rentals and Vacation rentals which have been defined in the Housing Element. Measure F required that the Nevada City General Plan “....prohibit the use of housing units for recreation rentals.” Consistent with Measure F, Home sharing short-term rentals differ from Recreational rentals and the like because their use characteristics do not include the visitor use of the entire Single family dwelling. Long-term neighborhood residents generally occupy the majority of the Single family dwelling, renting out only up to two (2) Sleeping rooms, ensuring that housing supply is not lost. Consistent with Measure G, Home sharing short-term rentals also differ in the use characteristics of Bed and Breakfast Inns because they do not include the formality and commercial hotel aspects of Bed and Breakfast Inns which also must have an existing use permit to continue.”

Section 6. Implementation

- A. **Effective Date.** Upon the effective date of this Initiative, (1) the City of Nevada City General Plan is amended as provided in Section 3 of the Initiative, except that if the four amendments of the mandatory elements of the General Plan permitted by State law for any given calendar year have already been utilized in the year in which the Initiative becomes effective, this General Plan amendment shall be the first amendment of the City of Nevada City General Plan on January 1 of the next year;

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and (2) the provisions of Section 2 of the Initiative are hereby inserted into the City of Nevada City Municipal Code as an amendment thereof. Upon the effective date of this Initiative, any provisions of the City of Nevada City Municipal Code or of any other City of Nevada City Municipal Code ordinance or resolution that are inconsistent with the General Plan amendments and Municipal Code amendments adopted by this Initiative shall not be enforced in a manner inconsistent with this Initiative.

- B. Interim Amendments.** The date that the notice of intention to circulate this Initiative was submitted to the elections official of the City of Nevada City is referred to in this Initiative as the "submittal date." The City of Nevada City General Plan in effect on the submittal date as amended by this Initiative comprises an integrated, internally consistent, and compatible statement of policies for the City of Nevada City. In order to ensure that nothing in this Initiative measure would prevent the City of Nevada City General Plan from being an integrated, internally consistent, and compatible statement of the policies of the City of Nevada City, as required by State law, and to ensure that the actions of the voters in enacting this Initiative are given effect, any amendment or update to the General Plan that is adopted between the submittal date and the date that the General Plan is amended by this Initiative measure shall, to the extent that such interim-enacted provision is inconsistent with the General Plan provisions adopted by this Initiative, be amended as soon as possible to ensure consistency between the provisions adopted by this Initiative and other provisions of the General Plan. Likewise, any amendment to the City of Nevada City Municipal Code that is adopted between the submittal date and the date that the Municipal Code is amended by this Initiative shall, to the extent that such interim-enacted provision is inconsistent with the Municipal Code provisions adopted by this Initiative, be amended as soon as possible to ensure consistency between the provisions adopted by this Initiative and other provisions of the Municipal Code.
- C. Other City Ordinances and Policies.** The City of Nevada City is hereby authorized and directed to amend the City of Nevada City General Plan, all specific plans, the City of Nevada City Municipal Code, including the Zoning Code and other ordinances and policies affected by this Initiative as soon as possible as necessary to ensure consistency between the provisions adopted in this Initiative and other sections of the General Plan, all specific plans, and other City ordinances and policies.
- D. Reorganization.** The City of Nevada City General Plan and Municipal Code may be reorganized or readopted in different format, and individual provisions may be renumbered or reordered, in the course of ongoing updates of the General Plan and Municipal Code, provided that the provisions of this Initiative shall remain in the General Plan and Municipal Code unless earlier repealed or amended by vote of the people of the City of Nevada City. Similarly, no amendment of the General Plan and Municipal Code shall be inconsistent with the provisions of this Initiative unless authorized by a vote of the people of the City of Nevada City.
- E. Implementing Ordinances.** The City Council is authorized, after a duly noticed public hearing, to adopt implementing ordinances, guidelines, rules, and regulations, as necessary, to further the purposes of this Initiative.
- F. Enforcement and Defense of Initiative.** The City Council shall take all steps reasonably necessary to enforce this Initiative and to defend it against any challenge to its validity.

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G. Project Approvals. Upon the effective date of this Initiative, the City of Nevada City shall not grant, or by inaction allow to be approved by operation of law, any general plan amendment, rezoning or any entitlement that is inconsistent with this Initiative.

Section 7. Effect of Alternative Measure on the Same Ballot

If a measure that addresses Home sharing short-term rentals as defined in Section 2 above or conflicts with any provision of this Initiative is placed on the same ballot as this Initiative and if both measures should pass, then the measures shall be deemed to be complementary to each other to the maximum extent permitted by law. To that end, the provisions of the Initiative shall be fully adopted except to the extent that specific provisions contained in each measure are deemed to be in direct conflict with each other on a "provision by provision" basis (*pursuant to Yoshisato v. Superior Court (1992) 2 Cal.4th 978*), in which case the conflicting provisions from the measure which received the greater number of votes shall prevail.

Section 8. Severability and Interpretation

This Initiative shall be interpreted so as to be consistent with all applicable Federal, State, and City laws, rules, and regulations. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, part, or portion of this Initiative is held to be invalid or unconstitutional by a final judgment of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Initiative. The voters hereby declare that this Initiative, and each section, subsection, paragraph, subparagraph, sentence, clause, phrase, part, or portion thereof would have been adopted or passed even if one or more sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, parts, or portions are declared invalid or unconstitutional. If any provision of this Initiative is held invalid as applied to any person or circumstance, such invalidity shall not affect any application of this Initiative that can be given effect without the invalid application. This Initiative shall be broadly construed in order to achieve its purpose. Any singular term shall include the plural and any plural term shall include the singular. The title and captions of the various sections in this Initiative are for convenience and organization only, and are not intended to be referred to in construing the provisions of this Initiative.

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