



**CITY OF SANTA MONICA**  
**HOME-SHARING ORDINANCE**  
**RULES** Effective: March 1, 2018

**SCOPE AND INTENT**

These rules and regulations (“Rules”) established pursuant to Santa Monica Municipal Code Section 6.20 shall be followed by hosts and hosting platforms as applicable. All staff responsible for the administration and/or enforcement of the Home-Sharing Ordinance must implement and enforce the program in keeping with these rules. These Rules are not intended to be duplicative.

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## I) DEFINITIONS

- a) CITY means the City of Santa Monica.
- b) SMMC means the Santa Monica Municipal Code.
- c) ACCESSORY STRUCTURE means living quarters, including lawfully permitted second units as defined by the Zoning Ordinance on the same premises as a single family residence. Rent Control Bootleg Units as defined in section 9.04.18.075 of the SMMC are not considered Accessory Structures for the purpose of the Home Sharing Ordinance.
- d) DWELLING UNIT means one or more rooms designed, occupied or intended for occupancy as separate living quarters. A dwelling unit includes a single-family residence, an apartment or other leased premises, or residential condominium unit. A dwelling unit shall include a detached Accessory Structure (e.g. guest house) that is intended for human habitation (i.e. living quarters) when the entire property is designated for a single family residential use. Dwelling unit does not include individual hotel/motel guest rooms, condominium timeshare units, cabins, or similar guest accommodations rented to transient guests in a hotel, inn, or similar transient lodging establishment operated by an innkeeper.
- e) GUEST or VISITOR means a person who rents a home-share and/or vacation rental.
- f) HOME-SHARE means an activity whereby the resident(s) host visitors in their homes, for compensation, for periods of 30 consecutive days or less, while at least one of the dwelling unit's primary residents lives on-site, in the dwelling unit, throughout the visitors' stay.
- g) HOST means a person engaged in providing a home-sharing and/or vacation rental.
- h) HOSTING PLATFORM means a marketplace in whatever form or format which facilitates the Home-Sharing or Vacation Rental, through advertising, match-making or any other means, using any medium of facilitation, and from which the operator of the hosting platform derives revenues, including booking fees or advertising revenues, from providing or maintaining the marketplace.
- i) HOUSE SWAPPING means the exchange of a house by one owner with another owner in a different city for short periods of time by agreement between both parties to exchange homes for a specified period of time without compensation.

- j) LIVES ON SITE means being present in the dwelling unit where the home-sharing is being offered, which includes but is not limited to sleeping overnight, preparing and eating meals, entertaining, and engaging in other activities in the dwelling unit that are typically enjoyed by a person in their home.
- k) SHORT-TERM RENTAL means any rental of any living accommodation that is 30 consecutive days or less, including hotels, motels, bed and breakfasts, home-sharing and vacation rentals.
- l) RESIDENT means primary resident of a dwelling unit, when a person occupies a dwelling, typically a house or an apartment, that serves as their primary residence, though they may share the residence with other people. For the purposes of home-sharing, a host may not have more than one residence within the city of Santa Monica.
- n) TRANSIENT OCCUPANCY TAX means local transient tax as set forth in Chapter 6.68 of the SMMC. The tax is paid by the guest when paying for their rental. The collected TOT is then remitted to the City.
- o) VACATION RENTAL means a rental of any dwelling unit, in whole or in part, within the City of Santa Monica, to any person(s) for exclusive transient use of 30 consecutive days or less, whereby the unit is only approved for permanent residential occupancy and not approved for transient occupancy as authorized by Chapter 6.20 of the SMMC.

## **II) HOME-SHARING HOSTS REQUIREMENTS AND BUSINESS LICENSE CONDITIONS**

A host must comply with the following conditions:

- a) A Home-Share may only be offered in a space intended for human habitation. For example, a host may not rent a space in an accessory structure that is a storage shed or garage as a Home-Share.
- b) A host may not advertise their home-sharing business in any area that is exterior to the dwelling unit where the home-sharing is occurring. This includes common interior areas.
- c) A host must clearly advertise the unit as a shared space, unless the advertised rental is an accessory structure, in which case the accessory structure may be advertised as a separate unit (aka “entire home/apartment”).
- d) In any advertisement of the Home-Share a host must include the Business License number issued by the City.

- e) No person shall provide or offer for rent any City approved home-sharing dwelling unit, in whole or in part, to any person(s) for exclusive transient use of thirty consecutive days or less. Exclusive transient use shall mean that none of the dwelling unit's primary residents lives on-site, in the dwelling unit, throughout the visitor's stay. Any such use shall be considered vacation rental use and thus prohibited. This regulation shall not apply to rental of units within City approved hotels, motels and bed and breakfasts.
- f) A Home-Share host must provide the Uniform Resource Locator (URL), (i.e. the web site address) for any and all advertisements of the rental on the business license application.
- g) A host must provide guests with information related to emergency exit routes if the unit is part of a multifamily building of more than one story.
- h) Transient Occupancy Taxes (TOT) shall be collected on all Home-Sharing rentals. If a Hosting Platform does not collect payment for the rental, hosts are solely responsible for the collection of all applicable TOT and remittance of the collected tax to the City on a monthly basis. If a Hosting Platform does collect payment for rentals, then it and the host shall both have legal responsibility for the collection and remittance of the TOT.
- i) No person or entity may operate more than one Home-Share in the City of Santa Monica.
- j) A Home-Sharing applicant must provide the following as part of his/her application:
  - 1) Address where the Home-Sharing will take place.
  - 2) Type of dwelling unit (e.g. single family home, apartment, condominium).
  - 3) Whether the applicant is a tenant or owner of the dwelling unit.
  - 4) The total number of full time occupants of the dwelling unit.
  - 5) A list of all persons that will be hosting.
  - 6) Contact information for each person that will be hosting (e.g. email, cell phone).
  - 7) A list of each bedroom, office, den, living room, etc., in the dwelling unit. The list shall include for each room:
    - i Whether or not the room will be rented
    - ii The maximum number of overnight guests that will be allowed
  - 8) Whether or not the unit is rent controlled.
  - 9) A link to the advertisement of the rental.

- 10) An affidavit certifying that the host will comply with all of the provisions of the Home-Sharing Ordinance, Business License Conditions for operating a Home-Share as outlined in these rules, and all relevant laws or be subject to revocation of their Business License.

### **III) HOME-SHARING HOSTS APPLICATION PROCEDURES**

Any person who intends on operating a Home-Share from their primary residence shall complete the Home-Sharing Registration Package (HSRP).

The HSRP shall include all instructions, check-lists, applications, and other educational materials related to the Home-Sharing Ordinance and relevant local laws that the host is required to comply with. Home-Share applications are exempt from the Zoning Conformance Review fee and Home Occupancy Permitting requirements.

The applicant must submit all of the following to the Business License unit to register:

- a) Business License Home-Sharing Application.
- b) Proof of Residency. Acceptable forms of proof include: copy of a current utility bill, cable bill, phone bill, credit card bill or bank statement showing your name and current Santa Monica residential address. Leases, rental agreements, or IDs may not be accepted as proof.

### **IV) HOSTING PLATFORM REQUIREMENTS**

- a) The City may request that the operator of a hosting platform submit, in an electronic comma-delimited format or similar format such as MS Excel, the following information:
  - 1) The address of each residential unit that was offered on the operator's hosting platform for occupancy for tourist or transient use and was occupied for that use during that quarterly reporting period.
  - 2) The total number of nights that the residential unit was occupied for tourist or transient use.

- 3) The amounts paid for the occupancy of that residential unit listed.
  - 4) The name(s) of the person(s) responsible for each unit listed.
- b) If the Hosting Platform collects payment for the rental, the hosting platform and the host shall both have legal responsibility for the collection of all applicable TOT and remittance of the collected tax to the City on a monthly basis.
- c) A Hosting Platform must provide its Santa Monica host clients or potential host clients the following disclosure:

*“On May 12, 2015, the Santa Monica City Council adopted the Home-Sharing Ordinance reiterating its ban on the rental of entire units as vacation rentals. The Home-Sharing Ordinance also legalized the short term rental of a portion of a person’s home when the host lives on-site throughout the visitor’s stay and when the host obtains a business license. Hosts are also required to collect and remit Transient Occupancy Tax (TOT) if not collected and remitted by the hosting platform.”*