

CITY OF GARDENA

HOME SHARING RENTAL PROGRAM

ADMINISTRATIVE GUIDELINES



APRIL 2024

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PART 1—PURPOSE

These Administrative Guidelines are for the purpose of implementing Gardena’s Home Sharing Rental (HSR) Program, as established by [Ordinance No. 1854](#). These Guidelines reflect the City’s application of the Ordinance and provide detail on how property owners, hosts and hosting platforms can comply with the requirements of the Ordinance.

All terms used in these Guidelines shall have the same meaning as set forth in Chapter 5.76 of the Gardena Municipal Code.

PART 2—REGISTRATION AND PERMITS

DETERMINE ELIGIBILITY

Eligible properties for home sharing:

- Single family homes in the R-1 zone that are occupied by either the property owner or a qualified tenant that are eligible for home sharing.
- Properties in the R-2 zone which have only two residential units on the lot.
- There must be a minimum of two parking spaces on site per unit.

Note: No property that has an accessory dwelling unit (ADU) or junior accessory dwelling unit (JADU) on it is eligible for home sharing.

Eligible host for home share rental located on an eligible property:

- A property owner who lives on the premises and has owned the residence for a minimum of one year prior to the date of the application.
- A property owner who has owned the residence for a minimum of one year prior to the date of the application and who does not live on the premises but has a qualifying tenant and whose lease with the tenant specifies that the owner may use a designated bedroom or bedrooms for home sharing.
- A qualifying tenant whose lease with the owner specifies that the tenant may use a designated bedroom or bedrooms for home sharing and the owner has owned the residence for a minimum of one year prior to the date of the application.
- A host may be issued only one home sharing permit within the city.

The host must reside on site in a bedroom, within the home sharing rental, during the time in which guests are present.

PERMITTING PROCESS

- A prospective host must obtain both a business license and an HSR permit, which are applied for together.
- An HSR permit shall be valid for a five-year period commencing April 15th of one year and ending on April 14th, five years later.
- Applications will be accepted starting January 1st and through February 15th, commencing in the calendar year of 2024 and then every five years thereafter.
- A maximum of 100 home sharing permits will be issued during the five-year period. If there are more than 100 qualified applications submitted during the application

period, permits will be issued by way of a lottery. If there are less than 100 qualified applicants received and additional home sharing permits are submitted after the application period, permits may be issued on a first-come, first-served basis through the end of the rental permit period until 100 permits have been issued. Regardless of when a permit is issued, it shall only be valid until the remainder of the rental permit period.

- An inspection by the Code Enforcement Division is needed after the issuance of the HSR permit. The applicant will need to schedule an inspection, and the Code Enforcement Inspection Checklist can be found on the City’s website or at City Hall.
- The Code Enforcement Division will conduct annual inspections of the HSR to ensure that the applicant continues to meet all the provisions of the City.

APPLICATIONS

To apply for an HSR permit, an applicant can find all the necessary forms online at <https://cityofgardena.org/home-sharing-permit/>, or at City Hall. Application for an HSR permit can be submitted to the Community Development Department via email at homeshaing@cityofgardena.org. Business license applications can be delivered via email at CDDLICENSEANDPERMITCENTER@CITYOFGARDENA.ORG. Additional documents to establish proof of ownership and residency are required and explained in this document. Application for the HSR permit must be signed and notarized by the property owner and, if applicable, by the qualifying tenant. Incomplete applications, lacking necessary information or required documents, will not be processed.

SITE PLAN AND FLOOR PLAN

- Site Plan: showing all improvements on the entire property on which the home-sharing rental unit(s) is/are located, including the power panel disconnect, house water main valve, number and location of designated on-site parking spaces available (including garage parking) for use by renter(s), storage location of trash containers and any outdoor patios or barbeque areas.
- Floor Plans (one per unit): labeling all interior rooms and the location of all sleeping areas and bedrooms. Include the number of beds (including sofa beds, inflatable mattresses, roll-a-way beds, hide-a-beds, and similar furniture) to be rented as part of the home-sharing rental, the approximate square footage of each home-sharing vacation rental unit and the square footage of the entire property (lot area).

ESTABLISHING HOST ELIGIBILITY AND PRIMARY RESIDENCY

Two important initial steps in the application process are establishing eligibility as an allowed host and primary residency.

HSR permits are not transferrable to new owners or qualifying tenants nor to other properties. In the event of a sale, or if the property ceases to be the primary residence, the permit becomes void.

As part of the application process, a prospective host must provide a copy of at least one document that identifies the full name or names of the applicant as owner or qualifying tenant and the address or tax assessor identification number of the property.

If the applicant is a property owner who will reside on site:

- Proof that the proposed home share is the owner's primary residence; and
- Proof that the owner has owned the house for a minimum of 365 days prior to the date of the application.

If the applicant is an owner who will not reside on site but has a qualifying tenant:

- Proof that the owner has owned the house for a minimum of 365 days prior to the date of the application; and
- Proof, other than a rental agreement, that the proposed home share is the qualifying tenant's primary residence; and
- Proof that the qualifying tenant has resided at the residence for a minimum of 365 days; and
- A copy of the lease naming the qualifying tenant and specifying that the owner can use the residence for a home share rental and designating which rooms can be used for such purposes.

If the applicant is a qualified tenant:

- Proof that the owner has owned the house for a minimum of 365 days prior to the date of the application; and
- Proof, other than a rental agreement, that the proposed home share is the qualifying tenant's primary residence; and
- Proof that the qualifying tenant has resided at the residence for a minimum of 365 days; and
- A copy of the lease naming the qualifying tenant and specifying that the tenant can use the residence for a home share rental and designating which rooms can be used for such purposes.

Below are examples of documents that are acceptable proof of property ownership:

- Recent property tax bill
- Recent mortgage statement
- Title report

To establish primary residency an applicant must associate the property as the place which is the base of their personal life activities. This is accomplished by providing two of the following documents when submitting the application:

- Valid federal or state-issued photo identification card with name and address that match name and address on application
- Passport or Alien Registration Card with name and address that match name and address on application
- Valid California voter's registration card or a voter registration status document showing name and home address (may be obtained online at voterstatus.sos.ca.gov)
- Valid California vehicle registration certificate showing name and home address
- Health insurance or vehicle insurance bill issued in the last six months showing name and home address
- Pay stub issued in the last six months showing name and home address
- Original utility bill for water, gas, or electric; cable, cell phone, or internet provider bills do not qualify
- Copy of a current property tax bill indicating homeowner's exemption

INSURANCE REQUIREMENT

Hosts must also include proof of liability insurance to cover home-sharing with minimum limits of not less than \$1,000,000. This requirement may be satisfied if the Host lists only on Hosting Platforms that provide the Host with this level of insurance. In such a case, the Host must provide the City with a copy of the agreement between the Host and the Hosting Platform that evidences the requisite insurance coverage.

BUSINESS LICENSE

In addition to the HSR permit application, as well as the various supporting documents to establish host eligibility, primary residency, and insurance coverage, a business license application is required. Application for the business license must also be submitted when applying for an HSR permit. The business license fee shall be in the amount set forth in section 5.08.230 of the Gardena Municipal Code.

It's important to note that the business license is only valid during a given calendar year. The applicant is responsible for renewing a business license on a yearly basis.

TRANSIENT OCCUPANCY TAX (TOT) REGISTRATION

All home sharing hosts shall be subject to the provisions of Title [5](#) (Business Licenses and Regulations) and Chapter [3.16](#), including the requirement to pay the city's transient

occupancy tax (TOT) and the requirement to have a transient occupancy registration certificate. Unless the applicant has the hosting platform they use collect and remit all TOT on their behalf, the applicant must be registered to pay TOT with the city's business license division. Regardless of whether a host utilizes a hosting platform that offers to collect and remit TOT on their behalf, the host is ultimately responsible for the collection and monthly remittance of TOT to the city.

PART 3—HOST RESPONSIBILITIES

The host is personally responsible for complying with the rules and requirements contained in these guidelines.

ADVERTISEMENTS

All listings and advertisements must clearly list the City-issued registration number and include the maximum occupancy of the home share unit, which will be shown on the permit. In the event a host's permit is revoked, the host must remove all listings within 48 hours.

RESPONSIBLE FOR VIOLATIONS

A host is responsible for preventing violations of the Home Share Ordinance, or of Chapters 8.64 (Nuisances) and 8.36 (Noise), of Title 8 of the GMC, arising at the host's residence during home sharing activities.

PRESERVE RECORDS

The host shall keep and preserve, for a minimum period of three years, all records regarding each home sharing stay, including the length of stay for each booking and the corresponding rate charged, which shall be provided to the city upon request.

TRANSIENT OCCUPANCY TAX

The host shall maintain a valid transient occupancy registration and must ensure the timely remittance of all transient occupancy taxes due in accordance with Gardena Municipal Code Title 3, Chapter 3.16.

PART 4—OPERATIONS

As part of the application process, all applicants must acknowledge these operational guidelines. Once permitted, it is the responsibility of the host to ensure these measures are taken or are maintained in order to remain in good standing with the program.

- Only those bedrooms identified in the application may be used for home sharing.
- A home sharing unit is for overnight lodging accommodations only and may not be used for, or advertised for use for weddings, parties, bachelor or bachelorette parties, conferences, or similar events.
- Home sharing may not be allowed on a property which there is an accessory dwelling unit (ADU) or junior accessory dwelling unit (JADU) on site. If an application for the construction of an ADU or JADU is filed with the City, the host shall inform the Community Development Director. At that time the host shall be informed that when a Certificate of Occupancy is issued for the ADU or JADU, the HSR permit shall be revoked.
- The home sharing unit must at all times provide operable basic health and safety features, including fire extinguishers, smoke detectors, and carbon monoxide detectors.
- The property of the home sharing unit shall be maintained in a clean and sanitary condition. Trash and refuse shall not be left outdoors and shall not be left stored within public view, except in proper containers for the purpose of collection by the trash collectors.
- The total occupancy of each home sharing unit may not exceed four guests for each bedroom available for home sharing. The applicable maximum occupancy must be included in every advertisement, posting, and listing for a home sharing unit.
- There must be a minimum of two parking spaces on site per unit, which need not be in an enclosed garage. Parking must meet the requirements of Chapter [18.40](#). At least one parking space per reservation must be made available to guests and such parking may include the required parking as well as driveway spaces. Tandem parking spaces are acceptable provided each tandem space measures at least nine feet by twenty feet and does not extend into any sidewalk or other public right-of-way. If any of the required parking is provided in a garage, each garage space must be kept clear of debris and able to accommodate a vehicle at all times.
- The home sharing permit number must be included in every listing for a home sharing unit.

- No signs or displays advertising a home sharing unit are allowed on the property.
- The host must maintain a transient occupancy registration certificate and must ensure the timely remittance of all transient occupancy taxes due in accordance with Title 3, Chapter 3.16 of the Gardena Municipal Code.
- The host must maintain a record of the guests and vehicle license plate numbers of such guests.
- The host must notify all residents within 75 feet of the property on which the home sharing rental is located that the host is operating a home sharing rental from that location. The Home Sharing Rental Permit Neighborhood notice template can be found on the City's website or at City Hall.
- The host must post contact information on the property in a place that is visible to the public that provides the following information for the host: name, phone number and e-mail address. The notice shall be in a minimum 1-inch size font. The template can be found on the City's website or at City Hall.

PART 5—TERMINATION

All HSR permits issued expire on April 15th of the last year of the five-year permit period. HSR permits do not automatically renew and the host must apply for a new permit after the five-year period.

It is important to note that the associated business license is only valid during a given calendar year and expires on April 15th of each year. The applicant is responsible for renewing a business license for the following year.

If a host no longer resides in the residence used for home sharing or is no longer the property owner, the host must inform the City's Licensing Division within 15 days from the date when the unit was sold or no longer is the owner's Primary Residence. Any advertising listing must be removed within 48 hours of termination.

PART 6—PROHIBITIONS

The following activities are prohibited and considered violations that may result in citation or revocation of the permit.

- Making materially false statements or omissions on the HSR permit application or in connection with any enforcement action by the city relating to home sharing
- Advertising without registration number and maximum occupancy
- Operating a home share without a valid home-sharing permit and business license
- Exceeding occupancy limits
- Hosting more than one home sharing unit
- Renting a home share without living on-site during the rental period
- Renting a unit that is not your primary residence
- Renting a home share on a property with an accessory dwelling unit (ADU) or junior accessory dwelling unit (JADU)
- Offering home share in areas outside the residence
- Failing to ensure that basic health and safety features are provided
- Failing to actively prevent nuisances
- Failing to maintain adequate liability insurance
- Using the permit for uses other than for overnight lodging
- Failing to collect and remit transient occupancy taxes (TOT)

PART 7—CITATIONS AND PERMIT REVOCATION

Any host violating any provision of the HSR Permit Ordinance, or a hosting platform that violates its obligations stated in the HSR Permit Ordinance, shall be subject to administrative citations and penalties pursuant to Gardena Municipal Code Section Chapter 1.20 as well as criminal citations.

GENERAL REVOCATION

If the property upon which a home share unit is located is the subject or the site of three final violations of any of the provisions of GMC Chapter 5.76, or of Chapters 8.36 (Noise), 8.64 (Real Property Nuisance), or 9.68 (Unruly Gatherings), Title 15 relating to violation of building codes, or any combination thereof, the home sharing permit for the unit shall be automatically revoked. The automatic revocation shall become effective as of the date the third citation becomes final (i.e., the time for administrative and/or judicial review has passed or final judgment of a court has been entered upholding the citation).

A home sharing permit may be revoked for non-compliance with any provision of a home sharing permit or GMC Code Section 5.76.080 after receiving a written Notice of Violation which has become final or for violations of GMC Code Section 5.76.080 at the location of the home sharing rental. A written Notice of Violation is not required in cases where the violation causes an immediate threat to the health and safety of the guests or other occupants of the home sharing rental or to any surrounding neighbors.

PART 8—HOSTING PLATFORM RESPONSIBILITY

TRANSIENT OCCUPANCY TAXES

A hosting platform shall collect all transient occupancy taxes (TOT) applicable to bookings completed through the hosting platform unless the City and the owner enter into an agreement whereby the owner fulfills the requirements of Title 3, Chapter 3.16 of the Gardena Municipal Code. Absent such agreement, the hosting platform shall be considered an agent of the owner for the purposes of TOT collections and remittance responsibilities set forth in Title 3, Chapter 3.16 of the Gardena Municipal Code.

A hosting platform shall report aggregate information on the tax return form prescribed by the City, including an aggregate of gross receipts, exemptions and adjustments, and taxable receipts of all TOT collected and remitted to the City by the hosting platform. The City may audit a hosting platform on an anonymized transaction basis, but the hosting platform shall not be required to produce any personally identifiable information relating to any owner or guest or relating to any booking transaction without binding legal process served only after the City has made reasonable attempts to complete an audit of the hosting platform with respect to such users.

MANDATORY HSR REGISTRATION FIELD INPUT BEFORE PUBLISHING

A hosting platform shall include a designated field in its listing flow that requires a host to input their HSR rental permit number for their listing on the hosting platform.

After the implementation of the hosting platform's mandatory field, a hosting platform shall take down any Short-Term rental listing that does not have an HSR Permit number as required by these Guidelines.

The Mandatory Field will be formatted in alignment with the format of the City issued HSR permit.

PART 9 —HOME-SHARING RESOURCES

WEBSITES

Home-Sharing Rental Program

<https://www.cityofgardena.org/home-sharing-permit/>

Business License

<https://www.cityofgardena.org/business-licensing/>

Transient occupancy tax information

<https://www.codepublishing.com/CA/Gardena/#!/Gardena03/Gardena0316.html#3.16>

Gardena Municipal Code

<https://www.codepublishing.com/CA/Gardena>

APPENDIX A

APPLICATION CHECKLIST

- HSR Permit Application Form
- Site Plans and Floor Plans
- Proof of property ownership (at least one of following)
 - Recent property tax bill
 - Recent mortgage statement
 - Title report
- Proof of primary residency (at least two of following)
 - A valid federal or state-issued photo ID
 - Passport or Alien Registration Card
 - Valid California voter's registration card
 - Valid California vehicle registration certificate
 - Health insurance or vehicle insurance bill
 - Pay stub issued in the last six months
 - Current property tax bill with homeowner's exemption
 - Original bill from Water, Gas Company, or SCE
- Proof of Liability Insurance
- HOA Approval (if applicable)
- Business License Application