



Agenda Item No: 3.b

## **PLACENTIA CITY COUNCIL AGENDA REPORT**

Meeting Date: April 21, 2026

Submitted by: Joe Lambert

From: Development Services

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### **Subject:**

**DISCUSSION REGARDING SHORT-TERM RENTAL REGULATIONS IN THE CITY OF PLACENTIA AND CONSIDERATION OF ORDINANCE NO. O-2026-04, AN ORDINANCE OF THE CITY OF PLACENTIA, CALIFORNIA, AMENDING PLACENTIA MUNICIPAL CODE CHAPTER 6.45 RELATED TO SHORT-TERM RENTALS**

### **Financial Impact:**

#### Fiscal Impact:

Potential for approximately \$235,000 in revenue annually from Transient Occupancy Tax, based on FY 24-25 actuals.

### **Summary:**

On September 2, 2025, City Council conducted a Study Session to discuss the topic of Short-Term Rentals (STRs) citywide. STRs have been permitted in residential zones citywide since August 2019. Following the Study Session, City Council adopted Urgency Ordinance No. O-2025-07, placing a moratorium on new Short-Term Residential Rental permits for up to 45 days. This moratorium was intended to allow Staff time to analyze and propose additional STR regulations for City Council consideration. Urgency Ordinance No. O-2025-07, was set to expire on October 16, 2025, therefore, Ordinance No. O-2025-10, was adopted by the City Council on October 7, 2025. This ordinance extended the STR moratorium until September 1, 2026, or until the City Council enacts amendments to its zoning ordinances or other applicable Municipal Code regulations, whichever is earlier.

Since extending the moratorium, Staff has worked with the City Council select Committee to suggest amendments to the STR regulations. Ordinance No. O-2026-04, incorporates amendments to the citywide STR regulations. The moratorium would be repealed upon the effective date of this Ordinance.

### **Recommendation:**

Recommended Action: It is recommended that the City Council:

1. Receive the Staff report; and
2. Conduct discussion regarding Short-Term Rental regulations in the City of Placentia; and
3. Find that Ordinance No. O-2026-04 is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3) and/or 15061(b)(3) of the State CEQA Guidelines; and
4. Consider first reading of Ordinance No. O-2026-04, an Ordinance of the City of

Placentia, California, amending Placentia Municipal Code Chapter 6.45 related to Short-Term Rentals.

**Strategic Plan Statement:**

This item is consistent with Strategic Goal 4 (Economic Development), as this item has directly resulted in generating approximately \$235,000 in Transient Occupancy Tax (TOT) in FY24-25, additive to revenues collected for four additional Fiscal Years beginning in FY20-21.

**Discussion:**

On September 2, 2025, City Council conducted a Study Session to discuss the topic of Short-Term Rentals (STRs) citywide, and City Council received an optional Staff recommendation to adopt an Urgency Ordinance placing a moratorium on new Short-Term Residential Rental permits. Subsequent to conducting the Study Session, City Council adopted Urgency Ordinance No. O-2025-07, placing a moratorium on new Short-Term Rental (residential) permits for up to 45 days from September 2, 2025, as provided by law. This was done to allow Staff time to analyze and propose additional STR regulations for City Council consideration.

Urgency Ordinance No. O-2025-07, was set to expire on October 16, 2025, therefore, at the meeting of October 7, 2025, Ordinance No. O-2025-10, was adopted by the City Council which extended the STR moratorium until September 1, 2026, or until the City Council enacts amendments to its zoning ordinances or other applicable Municipal Code regulations, whichever is earlier.

On October 7, 2025, City Council also created a temporary select Committee of (now) Mayor Wanke and Councilmember Hummer to work with Staff in reviewing additional amendments to the STR ordinance. Staff has worked with the Committee to incorporate the following amendments to the draft Ordinance:

- Define Partial-unit STR
- Cap on total STRs, 0.5% of 16,979 Placentia housing units = 85 total STRs (to be determined annually)
- Partial unit STRs do not count toward the cap
- Prohibit STRs in apartment complexes
- Require site plan, floor plan
- Require inspection by Building Division and Fire and Life Safety, initially and annually
- 300-foot radius locational requirement between STRs, previously was not a requirement
- 300-foot radius measured from property line for single-family and using airspace boundaries for condominiums
- Renewals require staff to confirm continued compliance with STR regulations including distance requirements
- Requiring a local contact person for immediate PD, PFLSD, Code Enforcement contact
- Persons renting must be 21 years of age or over
- No more than 10 occupants per stay
- Minimum stay of two consecutive nights
- Appeal of Director of Development Services STR denial/revocation goes directly to City Council
- First violation \$250 fine in lieu of a warning
- Require hosting platforms to report to the City TOT certification, records of reservations, etc.

Attached Ordinance No. O-2026-04, incorporates all of the above potential amendments to the

Placentia Municipal Code, Chapter 6.45, related to Short-Term Rentals . Staff recommends that City Council conduct first reading of Ordinance No. O-2026-04. If this occurs, second reading and adoption would occur at the next regular meeting of the City Council. The current moratorium would be repealed upon the effective date of this Ordinance, which is 30 days after adoption.

**Attachments**

1. [Ordinance No. O-2026-04 Short-Term Rentals](#)
2. [O-2026-04 STR Ordinance.pptx](#)