

ORDINANCE NO. 1270

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BREA ESTABLISHING STANDARDS AND PROCEDURES FOR A PILOT SHORT-TERM RENTAL PROGRAM, ADDING CHAPTER 5.32 REGARDING SHORT-TERM RENTALS TO THE BREA CITY CODE, AND APPROVING A CEQA EXEMPTION DETERMINATION

THE CITY COUNCIL OF THE CITY OF BREA DOES ORDAIN AS FOLLOWS:

A. RECITALS:

- (i) On July 15, 2025, the City Council conducted a Study Session and directed staff to develop a limited-term pilot short-term rental program with a restricted number of licenses.
- (ii) On August 19, 2025, City staff conducted community outreach by notifying homeowner associations and hotel operators regarding the City's proposed short-term rental program and requested feedback related to operational impacts.
- (iii) On September 16, 2025, City Council conducted a Study Session and directed staff to include geographic boundaries to guide license distribution and implement a lottery-based allocation system.
- (iv) On December 16, 2025, the City Council conducted a duly noticed public hearing concerning the addition of a new Chapter 5.32 to Title 5 of the Brea City Code regarding short term rentals, as set forth in this ordinance.
- (v) The City Council finds that unregulated short-term rentals may result in significant impacts to residential neighborhoods, including noise, parking, and transient

occupancy activity, and that a regulatory framework is necessary to protect the public health, safety, and welfare while preserving housing availability.

(vi) It is the intent of the City Council in adopting this ordinance adding a new Chapter 5.32 to Title 5 of the Brea City Code to codify and implement a pilot short-term rental program that will expire on December 31, 2029, unless the City Council acts otherwise to extend or modify its provisions.

(vii) All legal prerequisites for the adoption of this ordinance have occurred.

B. ORDINANCE:

SECTION 1. The City Council hereby finds that the facts set forth in the Recitals, Part A of this ordinance, are true and correct.

SECTION 2. Division II (Business Regulations) of Title 5 (Business Licenses and Regulations) of Part I (Municipal Code) of the Brea City Code is amended by adding a new Chapter 5.32 to read as follows:

"CHAPTER 5.32 – Short-Term Rentals

Chapter 5.32: General Provisions

Section

- | | |
|----------|------------------------------------|
| 5.32.010 | Intent and Purpose |
| 5.32.020 | Definitions |
| 5.32.030 | Authorized Agent or Representative |
| 5.32.040 | License Requirement |
| 5.32.050 | Inspections |

- 5.32.060 Operational Requirements
- 5.32.070 Hosting Platform Requirement
- 5.32.080 Prohibited Activities
- 5.32.090 License Nontransferable/No Property Rights
- 5.32.100 License Approval, Denial, and Revocation
- 5.32.110 Appeal Procedure
- 5.32.120 Recordkeeping
- 5.32.130 Requirements Not Exclusive
- 5.32.140 Violations and Penalties

§ 5.32.010 INTENT AND PURPOSE.

A. The purpose of this chapter is to establish a short-term rental pilot program containing regulations for the use of privately-owned residential dwellings as short-term rentals, minimize the secondary impacts of such uses on surrounding residential neighborhoods, and to ensure the collection and payment of applicable transient occupancy taxes.

B. This chapter does not provide any owner of a residential property with the right or privilege to violate any private conditions, covenants, and restrictions applicable to the owner's property that may prohibit the use of such owner's residential property for short-term rental purposes as defined in this chapter.

C. The city reserves the right to change the regulations provided in this chapter at any time, including discontinuing the issuance of short-term rental unit licenses, notwithstanding any impacts to existing or future short-

term license holders. Anyone accepting a short-term rental license pursuant to this chapter acknowledges and accepts that possibility.

D. The program shall commence following the effective date of this chapter and shall expire on December 31, 2029, unless otherwise extended and/or modified by the City Council by amending this ordinance.

§ 5.32.020 DEFINITIONS.

For the purposes of this chapter, the following definitions shall apply, unless the context clearly indicates a different meaning or construction.

APPLICANT. The property owner applying for a new or renewal short-term rental license.

ACCESSORY DWELLING UNIT. Same definitions specified in Section 20.00.070.B.

ACCESSORY DWELLING UNIT, JUNIOR. Also referred to as "Junior Accessory Dwelling Unit" in this chapter. Same definitions specified in Section 20.00.070.B.

CONTRACT. An agreement or evidence of any tenancy that allows or provides for the short-term rental of a property.

DIRECTOR. The Director of Community Development or a designee.

GOOD NEIGHBOR POLICY. Guidelines approved and updated from time-to-time by the Director, for conduct, consideration, and respect pertaining to the use and occupancy of short-term rentals consistent with the intent and purpose of this chapter.

HEARING OFFICER. An appointed person by the City Manager or designee who shall preside at the hearing and hear all facts and testimony presented and deemed appropriate.

HOSTING PLATFORM. An individual or entity that facilitates online short-term rental bookings in exchange for a fee or other compensation, either directly or indirectly, by conducting transactions through various means. Examples include, but not limited to, Airbnb and VRBO.

LOCAL CONTACT PERSON. A person designated by the owner or the owner's authorized agent or representative who is a resident of Brea and is available twenty-four (24) hours per day, seven days per week for the purpose of: (1) responding in person within thirty (30) minutes to complaints regarding the condition, operation or conduct of occupants of the short-term rental unit; and (2) taking remedial action to resolve any such complaints. A designated local contact person must obtain a business license required by Sections 5.00.030 and 5.04.010 of the Brea City Code.

MANAGING AGENCY OR AGENT. A person, firm, or agency representing the owner of the short-term rental unit, or a person, firm, or agency owning or operating more than one (1) short-term rental.

MULTI-FAMILY RENTAL HOUSING. A complex, structure, or a portion of a structure zoned, used, and/or designated as rental dwellings that include two (2) or more independent dwelling units. This includes, but is not limited to, duplexes, triplexes, apartments, and townhouses.

OCCUPANT. Any person(s) occupying the short-term rental at any time.

OWNER. A person(s), corporation(s) or other legal entity(ies) that hold(s) record legal and/or equitable title to the property used as a short-term rental.

PROPERTY. A residential legal lot of record on which a short-term rental unit is located.

DWELLING UNIT. A residential unit, such as a single-family unit, multi-family rental housing, including a duplex, triplex, or condominium.

RESPONSIBLE PERSON. An occupant of a short-term rental who is at least twenty-five (25) years of age and who is legally responsible for compliance of all occupants of the unit and/or their guests with all provisions of this chapter and the Brea City Code.

SECTOR. A sector is one of the three geographic divisions of the City established for the purpose of license distribution, as shown in the City's Sector Map adopted by Ordinance No. 1270.

SHORT-TERM RENTAL. A privately-owned residential dwelling unit, or portion thereof unless otherwise prohibited, that is offered or provided to a guest by an owner for thirty consecutive nights or less. The term, "short-term rental", shall not include hotels, motels, inns, timeshares, or bed and breakfasts.

SHORT-TERM RENTAL LICENSE or LICENSE. A license, with a license number, issued by the city to allow short-term rental units.

TRANSIENT OCCUPANCY TAX. The tax levied by the city pursuant to Chapter 3.16 of the Brea City Code.

§ 5.32.030 AUTHORIZED AGENT OR REPRESENTATIVE.

An owner may authorize an agent or representative to comply with the requirements of this chapter on behalf of the owner ("owner's agent"), unless the requirement is to be fulfilled solely by the owner. Notwithstanding, the owner shall not be relieved from any personal liability for noncompliance with any provisions of this chapter or with any applicable laws, rule and regulation pertaining to the use and occupancy of the subject short-term rental, regardless of whether such noncompliance was committed by the owner's agent or the occupants of the owner's short-term rental or their guests. Failure of an owner's agent to comply with this chapter shall be deemed non-compliance by the owner.

§ 5.32.040 LICENSE REQUIREMENT.

- A. No person shall operate a short-term rental unless a license has been obtained in accordance with this chapter.
- B. A license obtained under this chapter does not constitute a vested right, shall not run with the land, and shall be personal and limited to the owner listed on the application.
- C. Any license issued pursuant to this chapter shall be valid for a period of one (1) year from the date of issuance and shall be subject to annual renewal for the duration of the pilot program, which requires submittal of a renewal license to the city.

D. The short-term rental license application and annual renewal application shall be accompanied by an application fee in the amount established by resolution of the City Council.

E. Eligibility Requirements. The following requirements must be met at the time of short-term rental application submittal:

1. The applicant shall not be a lessee or a sub-lessee. All applications submitted shall be submitted by the owner of the residential dwelling unit or the owner's agent.

2. The following types of dwelling units are prohibited to be used as a short-term rental unit:

- i. Accessory dwelling units and junior accessory dwelling units
- ii. Recreational vehicles
- iii. Affordable housing units under the City's proprietorship.

3. No owner shall be granted a license for more than one short-term rental within the city, except as otherwise provided herein.

4. There shall only be one (1) short-term rental license issued per property except in multi-family rental housing (i.e. apartments, condominiums or townhomes) the number of short-term rental licenses allowed shall be as follows in Table 5.32.040.C.1:

Table 5.32.040.C.1
SHORT-TERM RENTAL LICENSE ISSUANCE

Number of Units Per Property	Maximum Number of Short-Term Rental Licenses
Up to 49	1
50 or more	2

5. The dwelling unit or property used as a short-term rental property shall not be subject of any active or pending code enforcement actions or violations pursuant to the Brea City Code, including, but not limited to, zoning, building, and fire codes.

F. Application for License. The owner shall submit the following information and/or documents as part of their application or renewal application for a short-term rental, including but not limited to:

1. The name, address, and telephone number of the owner of the short-term rental and the local contact person, if different from the owner.

2. A copy of the owner's current state issued driver's license or identification card.

3. The address of the short-term rental property, including a diagram identifying the location of the short-term rental structure and the location of the required parking.

4. The number of bedrooms and the applicable occupancy limit of the short-term rental.

5. A photo of the short-term rental structure to allow the city to visually identify the unit.

6. Signed acknowledgment form confirming that city staff shall conduct building, fire, and safety inspection to verify compliance with the operational requirements of this chapter. License approval shall be contingent upon passing the inspection.

7. The uniform resource locator (URL) (i.e. website address) for any and all anticipated advertisements of the short-term rental property.

8. An executed document, approved as to form by the City Attorney, by which the Applicant agrees to indemnify and hold harmless the city, its officers, employees and agents from any claim, demand, or judgment in favor of any person, arising out of activities or inactivity of the applicant with respect to the operations of the short-term rental.

9. A completed Transient Occupancy Tax registration form.

10. Proof of general liability insurance that covers the rental of the property as a short-term rental in the aggregate sum of not less than one million dollars (\$1,000,000). Alternatively, the owner can provide evidence that each rental occurs through a platform that provides equal or greater insurance coverage. Proof of insurance shall be provided at the time of both initial license and renewal license issuance and shall remain in effect for the duration of the annual license. Failure to maintain liability insurance shall result in the revocation of the license.

11. If a short-term rental is located on a property in any area governed by a homeowners' association or community association and subject to covenants, conditions, and restrictions, the applicant shall submit a letter from the associations' governing board stating that the and the rules and regulations of the association do not prohibit short-term rentals from operating, including the short-term rental proposed by the Applicant.

12. The short-term rental license application shall be accompanied by a consent to inspection form signed by the owner of the property by which the owner agrees and consents to a building, fire, and health and safety inspection as further described under Section 5.32.050 of this chapter, in addition to the payment of inspection fee in the amount established by resolution of the City Council.

13. Proof of current City of Brea business license.

G. Maximum Number of Short-Term Rental Licenses.

1. The total number of licensed short-term rentals operating in the city at any given time shall not exceed one hundred (100), allocated as follows: twenty-five (25) in the Northwest sector, fifty (50) in the Southwest sector, and twenty-five (25) in the East sector.

2. Short-term rental licenses shall be issued on a lottery-based system within each sector. A licensed short-term rental business that ceases operation shall notify city staff in writing within thirty (30) days. Upon such notice, or upon license revocation, the license shall be returned to the available allocation for that sector.

3. Each property owner shall not operate more than one (1) short-term rental in the city, except as otherwise provided herein.

4. When the maximum number of short-term rental licenses has been issued within a sector, the city shall establish and maintain a waitlist. When a space becomes available in the designated sector, licenses may be issued as they become available.

H. Short-Term Rental License Waitlist.

1. All short-term rental license applications, which have been deemed complete, shall be placed on the short-term rental waitlist in the order of the application's filing date. Placement on the waitlist does not guarantee that a license will be issued during the pilot program.

2. The City shall notify applicants of license availability in the order of the application's filing date.

§ 5.32.050 INSPECTIONS.

A. Prior to the issuance of a new short-term rental license or a renewal short-term rental license, the city shall conduct a building, fire, and health and safety inspection of the short-term rental for compliance with this chapter.

B. Such inspection shall be conducted within thirty (30) days of receipt of a completed application.

C. No license shall be issued if the inspection finds that any of the following conditions exist:

1. The dwelling unit does not have functioning smoke and carbon monoxide detectors, electricity, or plumbing.
2. The structure has been modified in a way that required a building license from the city, but such building license was not obtained.
3. The city determines that there are conditions present on the property that would present a danger to the health, safety, or welfare of the occupants and/or the public.

§ 5.32.060 OPERATIONAL REQUIREMENTS.

A. Compliance by owner, agents, and occupants. The owner and/or owner's agent shall ensure the property used as a short-term rental is used in a manner that complies with all applicable laws, rules, and regulations pertaining to its use and occupancy, including applicable codes regarding fire, building and safety, and shall further ensure the occupants of the short-term rental do not create noise in violation of Chapter 8.20 of the Brea City Code or other disturbances, engage in disorderly conduct, or violate any applicable laws, rule, or regulation pertaining to the use and occupancy of the subject short-term rental.

B. Overnight maximum occupancy limits

1. The owner shall limit overnight occupancy of the short-term rental to a specific number of occupants as set forth in Table 5.32.050. C.1 below.

2. Children twelve (12) years of age or younger are not counted towards the occupant maximum.

3. As used in this section, overnight occupancy shall mean during the hours of 10:00 p.m. through 8:00 a.m. of the following day.

Table 5.32.050. C.1 OVERNIGHT MAXIMUM OCCUPANCY LIMITS	
Bedrooms	Occupancy
0	2
1	4
2	6
3	8
4	10
5 or more	12

C. Overnight stay. The minimum overnight stay per responsible person shall be no less than two (2) consecutive nights.

D. Minimum age of the responsible person. The owner shall not rent a short-term rental to a person that is under the age of twenty-five (25).

E. Maintenance of rental contracts. Owners shall maintain all short-term rental contracts (in electronic or paper form) for a period of four (4) years from the date of occupancy. The exact number of occupants shall be included in the contract as well as all city code requirements regulating occupancy limits, noise, outdoor amplified music prohibition, public nuisance, parking, trash, prohibition of commercial activities, and other

code requirements related to the use and occupancy of the short-term rental. The owner shall share all contracts upon the city's request.

F. Prior to occupancy. Prior to occupancy of a short-term rental by occupants, the owner or owner's agent or representative shall advise of or require the following from the responsible person:

1. Provide the responsible person with the local contact person's contact information. The local contact person is required to be available twenty four (24) hours per day.

2. Obtain from the responsible person an "informational form," in the form provided by the City, which contains, but not limited to, the following:

- i. Name
- ii. Address
- iii. Telephone number
- iv. Copy of the valid governmental identification of responsible person
- v. List of all the names of all occupants of the short-term rental
- vi. List of all vehicle information and license plate numbers of the responsible person, occupants, and guests
- vii. Signed copy of the city's Good Neighbor Policy prior to or during check-in.

viii. Signed acknowledgment statement, in which the responsible person understands that he or she is legally responsible for compliance by all occupants of the short-term rental and their guests.

3. Applicants for the short-term rental license shall review and acknowledge receipt of a copy of the city's Good Neighbor Policy. In addition, the applicant shall provide a brochure or document intended to remind occupants of short-term regulations.

G. The owner of the short-term rental shall ensure that the property complies with all applicable codes regarding fire, building, health and safety, zoning and all other laws and regulations.

H. 24-Hour Availability.

1. During the period of a short-term rental, the owner, owner's agent, and/or owner's local contact person shall be available twenty-four (24) hours per day, seven (7) days per week to respond to complaints regarding the condition, operation, or conduct of the occupants, including responding in person at the location of the short-term rental.

2. The local contact person's response to complaints may be made by telephone, text message and/or in person, however, in no event shall the response time exceed fifteen (15) minutes if responding by telephone or text or forty-five (45) minutes if an in-person response is required because of the severity of the complaint.

3. In all circumstances, complaints that the occupants of the short-term rental have created unreasonable or unlawful noise or

disturbances in violation of Chapter 8.20 of the City Code or provisions of this chapter or are engaging in disorderly conduct, requires an in-person response by the local contact person.

I. Outdoor Activities. Occupants of the short-term rental shall be prohibited from using all outdoor amenities (i.e. pool/spa) and/or engaging in outdoor games or any outdoor activities that create noise between the hours of 10:00 p.m. to 7:00 a.m. all days of the week. A sign stating these restrictions must be clearly visible near any such outdoor amenities and posted on all interior doors leading to the outdoor amenities.

J. Parking. Property owners shall provide adequate on-site parking. For the purposes of this subsection, "adequate on-site parking" shall be determined by dividing the total number of occupants commensurate with the approved number of bedrooms and provided in Table 5.32.0050. C.1 by four (4), such that the ratio of the maximum allowed number of overnight occupants to on-site parking spots does not exceed four to one (4:1). For example, a residential dwelling with five (5) bedrooms may permissibly host a total number of ten (10) to twelve (12) overnight occupants and therefore requires three (3) on-site parking spots. On-site parking shall be on an approved driveway, garage, and/or carport areas. Overnight street parking is not licensed.

K. Trash Containers. Trash and refuse shall not be left stored within public view, except in proper containers for the purpose of collection by the city's authorized waste hauler on scheduled trash collection days. The

owner of the short-term rental shall provide sufficient trash collection containers and service to meet the demand of the occupants.

L. The short-term rental license number assigned by the city shall be displayed on any hosting platform's website where said short-term rental is advertised. Each short-term rental shall have a unique license number.

M. Retention of Residential Character. The owner of a short-term rental shall not change the residential character or the outside appearance of the residence, either by the use of colors, materials, lighting or/and advertising mechanism.

N. Required Information for advertisements.

1. The owner shall include the current license registration number on or in any advertisement appearing in any newspaper, magazine, brochure, television, internet website, etc., that promotes the availability or the existence of the short-term rental in a place or location deemed acceptable by the license administrator in the following format:

i. "City of Brea – Short-term Rental License No. ."

ii. In the case of the audio-only advertising of the same, the license number shall be read as part of the advertising.

2. Each of the following shall be clearly identified in any advertisement:

- i. Maximum occupancy.
- ii. The number of bedrooms.
- iii. Maximum number of vehicles allowed.

iv. Photo of the front of the short-term rental.

O. Transient Occupancy Tax. The owner and/or the owner's agent shall comply with all provisions of Chapter 3.16 of the City Code concerning transient occupancy taxes including, but not limited to, submission of a return in accordance with § 3.16.070, which shall be filed even if the short-term rental unit was not rented during each such reporting period. While hosting platforms shall collect and remit transient occupancy tax payment as described in Section 5.32.070, the owner must ensure all transient occupancy tax is properly reported and remitted. Owners not using a hosting platform must self-report and remit transient occupancy tax to the City of Brea.

§ 5.32.070 HOSTING PLATFORM REQUIREMENTS.

A. Subject to applicable laws, Hosting Platforms shall disclose to the city on a quarterly basis each short-term rental listing located in the city, the names of the persons responsible for each such listing, the address of each such listing, the length of stay for each such listing, and the price paid for each stay.

B. Hosting platforms shall require owners to include the city-issued license registration number in their listing(s), in a format designated by the city. Hosting platforms shall not complete any booking transaction for unlicensed short-term rentals in the city.

C. Prior to an owner listing a short-term rental location within the city through a hosting platform, the hosting platform shall provide a notice to such owner with the following information:

“Chapter 5.32 of the Brea City Code prohibits the short-term rental of residential property within the City of Brea unless the City has issued both a business license and a short-term rental license to the owner, and the owner pays the transient occupancy tax.”

D. A hosting platform that facilitates bookings of short-term rentals located within the City of Brea, and takes payment for the transaction, directly or indirectly through third party payment processors, shall collect transient occupancy tax and remit to the City of Brea all applicable transient occupancy tax, as calculated on the amount the occupant pays to the owner for rent, including any mandatory fees charged by the owner, such as a cleaning fee.

E. All hosting platforms must provide a monthly report to the City of Brea that includes the physical address, including the nine-digit ZIP code, and gross receipts for all short-term rental properties where at least one booking was facilitated by the platform per TOT reporting period. This report shall be due by the end of the month following the monthly reporting period.

F. The provisions of this section shall be interpreted in accordance with otherwise applicable state and federal law(s) and will not apply if determined by the city to be in violation of, or preempted by, and such law(s).

§ 5.32.080 PROHIBITED ACTIVITIES.

A. A person who is renting a short-term rental is prohibited from subleasing such dwelling unit, or any portion thereof, to any other person or entity.

B. Commercial activities and special events, including but not limited to, weddings, receptions, large parties and sales events are prohibited on the property used as a short-term rental.

C. Hosting platforms are prohibited from facilitating the short-term vacation rental of unlicensed and illegal businesses. Hosting platforms shall not facilitate the evading of relevant taxes and regulations required of any short-term rental.

D. Hosting platforms are prohibited from advertising a short-term rental located within the city that is not licensed pursuant to this chapter.

E. Owners and/or owner's agent of an unlicensed short-term rental are prohibited from operating in the city and are prohibited from being marketed as short-term rentals available within the city. Any owner and/or owner's agent found to be operating a short-term rental without a valid license shall be subject to all applicable fines and penalties.

§ 5.32.090 LICENSE NONTRANSFERABLE/NO PROPERTY RIGHTS.

A license granted pursuant to this chapter shall not be transferable to another person, entity, assessor's parcel number or to another property owner. In addition, the issuance of a license or renewal license does not give the owner any vested property rights and any such license shall not run with the land or property to which it applies. All new property owners shall obtain a new license to continue with short-term rental operations.

§ 5.32.100 LICENSE APPROVAL, DENIAL, AND REVOCATION.

A. Decision Authority.

1. The Community Development Director has the authority to deny and/or or revoke a short-term rental license in accordance with this section.

2. The Director's decision to deny a short-term rental license application shall take effect immediately, unless a timely appeal is filed pursuant to section 5.32.110 of this chapter. Unless successfully appealed, the Director's decision to revoke a short-term rental license shall take effect upon 30 days' notice to the owner of the Director's decision.

B. License Approval. If, as a result of the investigation conducted by the city, the applicant is found to satisfy all of the requirements of this chapter and no grounds for denial exist, the associated short-term rental license application shall be approved, and a license (or a renewal license) shall be issued to the applicant unless the maximum number of licenses as specified in Section 5.32.040 has been issued.

C. License Denial.

1. The applicant shall be denied the short-term rental license, including a renewal license, if any of the following findings are made:

i. The information contained in the application or supplemental information requested is false or misleading in any material detail.

ii. The owner failed to provide a complete application, after having been notified of the requirement to produce documents or additional information within ten (10) calendar days.

iii. The owner is delinquent in payment of any city taxes, fees, assessments, fines, or penalties.

iv. If the owner has had a prior short-term rental license revoked or has been cited for violating any provision of the City Code related to short-term rentals in the city within the past twelve (12) months. [BUT SEE D.2, BELOW]

v. The owner has failed to pay any previous administrative fines, remediate any other violations, and/or complete any other alternative disposition associated with a previous violation of this chapter related to the operation of a short-term rental.

vi. If, at the time the license application is being submitted, the city has commenced any enforcement proceedings against the owner with respect to the property for which the owner seeks a license or a renewal of a license.

vii. The property does not comply with all applicable codes regarding zoning, fire, building and safety as specified under Section 5.32.050 of this chapter, and other relevant laws, ordinances, or regulations including any conditions placed on the license by the city.

viii. The license cap has been reached.

2. Applicants who are denied a license solely based on the license cap shall have an option to join the waitlist.

D. License Revocation.

1. The Director shall hold a hearing on whether to revoke a short-term rental upon at least 10-days written notice to the owner. A short-term rental license shall be revoked if, based on substantial evidence presented at such hearing, the Director makes any of the following findings:

i. The short-term rental has operated in violation of Section 5.32.050, 5.32.060, or 5.32.080 of this chapter

ii. Operation of the short-term rental has caused or substantially contributed to the violation of any other applicable law or in a manner injurious of or threatening to the public health and safety.

2. An owner whose license is revoked is prohibited from applying for a new short-term rental license for the duration of the pilot program.

3. City shall provide owner notice of license revocation that includes the findings the Director relied on to make their decision to revoke the license. City shall mail notice of revocation to the owner's address as

listed on the short-term rental application and to the address of the local contact person listed on the license application.

4. The owner shall have ten (10) days from the date the notice was sent to appeal the decision pursuant to Section 5.32.110 before the Director's decision becomes final.

§ 5.32.110 APPEAL PROCEDURE.

A. Any interested party may appeal the Director's decision to approve, deny, or revoke a short-term rental license; provided that the Director's decision to deny a license application on the grounds that the license cap has been reached shall be final and not appealable. All appeals under this section shall be heard by the Hearing Officer. Any appeal filed by a person who is neither the license applicant nor the owner of the subject property must be accompanied by a written statement describing the legal grounds for the appeal and the factual basis for their standing as an interested party for purposes of the appeal.

B. Time for Filing of Appeal. An appeal must be filed within ten (10) calendar days after the date of action by the Director.

C. Filing of Appeal.

1. Appeals must be filed with the City Clerk together with the required appeal fee as set forth in the current schedule of fees adopted.

2. If the information included with an appeal is found by the City Clerk to be deficient, the City Clerk shall notify the appellant as to the particulars of the deficiencies. If such deficiencies are not corrected within

ten (10) calendar days of such notice, the appeal shall be deemed withdrawn.

D. Effect of Timely Appeal.

1. The filing of a timely appeal shall suspend the decision of the Director until the final determination on the appeal or dismissal thereof.

2. No person shall commence operation or continue to operate a short-term rental until the final determination is made on the appeal.

E. Notice of Hearing. A notice of such hearing shall be given to the owner/applicant of the short-term rental license, in writing and mailed at least ten (10) calendar days prior to the date of the hearing addressed to the address listed on the short-term rental application. The notice shall state the grounds for denial or revocation, and the time and place where such hearing will be held.

F. Public Hearing

1. At the time and place set for public hearing, the Hearing Officer shall hear and determine all the facts and evidence relevant to the applicant and the contents of the application.

2. At the conclusion of the hearing, the Hearing Officer may affirm, modify, or reverse the Director's decision. The Hearing Officer shall render a written decision within ten (10) calendar days from the date of the hearing where the decision on the appeal was made

3. The action of the Hearing Officer shall be final and conclusive.

§ 5.32.120 RECORDKEEPING.

- A. Each owner shall maintain all written records related to the use and occupancy of the short-term rental, including, but not limited to, compliance with the operation requirements and standards set forth in section 5.32.060, for a period of four (4) years for the purpose of inspection or audit to determine that the objective and conditions of this Chapter are being fulfilled.
- B. Audit provisions shall be conducted pursuant to Chapter 3.16 of the Brea City Code.

§ 5.32.130 REQUIREMENTS NOT EXCLUSIVE.

The requirements of this Chapter shall be in addition to any license or fee required under any other provision of the Brea City Code. The issuance of any license pursuant to this Chapter shall not relieve any person of the obligation to comply with all other provisions of the Brea Municipal Code pertaining to the use and occupancy of the Short-Term Rental or the property on which it is located.

§ 5.32.140 VIOLATIONS AND PENALTIES.

- A. Violations of this chapter shall be subject to enforcement as provided in Chapter 1.04 of the City Code in addition to, and not in lieu of, any and all other legal remedies available to the City, whether criminal or civil or in law or equity.

B. Each and every day such a violation exists shall constitute a separate and distinct violation of this chapter.

C. It shall be unlawful to aid or abet any violation of this chapter."

SECTION 3. The new Chapter 5.32 added to Title 5 of the Brea City Code by this ordinance shall expire and of be of no further effect on December 31, 2029, unless otherwise extended or modified by the City Council. No later than October 31, 2029, the Community Development Director shall provide the City Council with an evaluation of program performance, compliance, revenue generation, and end neighborhood impacts to determine whether continued implementation is warranted.

SECTION 4. CEQA. Pursuant to the California Environmental Quality Act ("CEQA") (Public Resources Code § 21000 *et seq.*) and the State of California Guidelines for Implementation of the California Environmental Quality Act ("CEQA Guidelines") (14 C.C.R. § 15000 *et seq.*), the City Council finds and determines that adoption of this ordinance is exempt from CEQA review pursuant to statutory and categorical exemptions including California Code of Regulations Title 14, Section 15061(b)(3). The City Clerk shall file a Notice of Exemption for adoption of this ordinance in accordance with CEQA.

SECTION 5. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

SECTION 6. This ordinance shall become effective thirty (30) days after its adoption in accordance with the provisions of California law.

SECTION 7. The City Clerk shall certify to the passage of this ordinance.

APPROVED AND ADOPTED this _____ day of _____, 2026.

Cecilia Hupp, Mayor

ATTEST:

Victoria Popescu, City Clerk

I, Victoria Popescu, City Clerk of the City of Brea, do hereby certify that the foregoing ordinance was introduced at a regular meeting of the City Council of the City of Brea held on the ____ day of _____, 2026, and was finally passed at a regular meeting of the City Council of the City of Brea held on the ____ day of _____, 2026, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

DATED: _____, 2026

Victoria Popescu, City Clerk