

**AGENDA DESCRIPTION:**

Consideration and possible action to amend the Rancho Palos Verdes Administrative Citation Fine Schedule to establish a second tier of fines for certain violations of the City's Municipal Code and project approved-conditions of approval.

**RECOMMENDED COUNCIL ACTION:**

- (1) Adopt Resolution 2016-\_\_\_, A RESOLUTION AMENDING THE SCHEDULE OF PENALTIES FOR ADMINISTRATIVE CITATIONS BY ESTABLISHING A SECOND TIER OF FINES FOR CERTAIN VIOLATIONS OF THE CITY OF RANCHO PALOS VERDES MUNICIPAL CODE

**FISCAL IMPACT:** None

<b>Amount Budgeted:</b>	N/A
<b>Additional Appropriation:</b>	N/A
<b>Account Number(s):</b>	N/A

**ORIGINATED BY:** Julie Peterson, Code Enforcement Officer JP

**REVIEWED BY:** Ara Mhrianian, AICP, Director of Community Development *Ara*

**APPROVED BY:** Doug Willmore, City Manager *Doug*

**ATTACHED SUPPORTING DOCUMENTS:**

- A. Resolution No. 2016-\_\_\_ (page A-1)
- 

**BACKGROUND AND DISCUSSION:**

On June 21, 2016, the City Council adopted Resolution No. 2016-28 updating the City's schedule of penalty fines for administrative citations for violators of Rancho Palos Verdes Municipal Code. The fines were increased as follows:

- First citation – \$100
- Second citation – \$200
- Third citation – \$500

Since that time, the City has been addressing the prohibition of short-term rentals in the City's residential zoning districts. In response, the City Council directed Staff to bolster the City's enforcement of the prohibition to include establishing punitive penalties for offenders of the prohibition. Based on research of administrative fines imposed by other jurisdictions, Staff recommends that the Council amend the penalty fine schedule by

establishing a second tier of fines that are more punitive. Staff also recommends that the more punitive second tier of (higher) penalty fines apply to the following violations:

- Advertising or operating a short-term rental in the City's residential (RS and RM) zoning districts;
- Violations of Conditions of Approval, including Conditional Use Permits;
- Building/working after a Stop-Work Notice is issued; and,
- Building/working with an expired building permit.

Administrative penalty fines for property maintenance violations, trash container violations, illegal signs and banners, non-permitted construction, graffiti, and other property maintenance related issues as outlined in RPVMC Chapter 8.24.060 will remain at the current first-tier fine rate of \$100/\$200/\$500 per offense. It should be noted that these violations are considered public nuisances, and violations can also be prosecuted as an infraction or misdemeanor at the discretion of the City (Section 36900 of the Government Code sets a maximum penalty for a misdemeanor violation of a municipal ordinance at \$1,000 and/or 6 months imprisonment).

Staff recommends establishing the second-tier administrative fines as described below and in Attachment A:

- First Violation – \$1,000
- Second Violation (of the same code provision within one year) – \$2,000
- Third Violation (of the same code provision within one year) – \$3,000

These levels of fines are needed to effectively deter certain code violations. Specifically, Staff has observed that the nightly rental rates for short-term rentals can exceed \$1,000 per night. In order to effectively deter this illegal activity, the City must have the option of imposing higher fines. The same is true for violations of Conditions of Approval of Conditional Use Permits and other City-issued entitlements that are intended to regulate construction and operations, as well as to address potential impacts to the surrounding environment. Similarly, the health and safety dangers of operating with an expired permit or after a Stop-Work Notice is issued are such that violations must be effectively deterred through this second tier of fines.

#### **ALTERNATIVES:**

In addition to the Staff recommendation, the following alternative actions are available for the City Council's consideration:

1. Identify issues with the proposed amendments to the administrative citation fine schedule and provide direction to Staff for City Council consideration at a future meeting.
2. Take no action on Staff's recommended amendments to the administrative citation fee schedule.

RESOLUTION NO. 2016-\_\_

**A RESOLUTION AMENDING THE SCHEDULE OF PENALTIES FOR ADMINISTRATIVE CITATIONS BY ESTABLISHING A SECOND TIER OF FINES FOR CERTAIN VIOLATIONS OF THE CITY OF RANCHO PALOS VERDES MUNICIPAL CODE.**

WHEREAS, Sections 1.16.110 (A) of the Rancho Palos Verdes Municipal Code provides that the fine imposed pursuant to Chapter 1.16 (Administrative Penalties) for a particular violation shall be in the amount set forth in the administrative citation penalty schedule established by resolution of the City Council; and,

WHEREAS, based on a City Staff's review of short-term rentals in the City, the City Council has found that the nightly rental rates for short term rentals can exceed \$1,000 per night. In order to effectively deter this illegal activity, the City must have the option of imposing higher fines; and,

WHEREAS, conditions of approval imposed by the City on Conditional Use Permits and other City-issued entitlements are intended to regulate construction and operations, as well as mitigate potential impacts to the surrounding environment and in order to deter noncompliance with such conditions, the City must have the option of imposing higher fines; and,

WHEREAS, the health and safety dangers of operating with an expired permit or after a Stop-Work Notice is issued are such that violations must be effectively deterred through significantly higher fines; and,

WHEREAS, the Tier 2 Penalty Fines are necessary to preserve the health and safety of City residents and to deter specific violations of the Municipal Code.

NOW, THEREFORE, the City Council of the City of Rancho Palos Verdes does hereby resolve as follows:

**Section 1:** The above recitals are found to be true and are incorporated herein by reference.

**Section 2:** The administrative penalty amounts set forth and attached hereto are hereby established for violations of the Rancho Palos Verdes Municipal Code.

**Section 3:** Any penalty amount imposed pursuant to Chapters 1.08 and 1.16 of the Rancho Palos Verdes Municipal Code and this Resolution shall be deemed delinquent if it is not paid in accordance with the terms and provisions of Chapters 1.08 and 1.16. Any person who fails to pay the City the amount of any penalty imposed pursuant to the provisions of Sections 1.08.010 and 1.16.110 of the Rancho Palos

Verdes Municipal Code and this resolution on or before the date that the fine amount is due shall be liable for the payment of an addition delinquency penalty.

The delinquency penalty is equal to ten percent (10%) of the amount of the penalty remaining unpaid to the City if a portion of the penalty amount was timely paid. Interest shall accrue on all delinquent penalty amounts, exclusive of the delinquency penalties, at the rate of one half of one percent (0.5%) per month, pro rata, of the total delinquent penalty amount, from the date the penalty becomes delinquent until the date that all delinquent penalty amounts are paid to the City.

**Section 4:** In addition to any administrative penalties specified for violations of the Rancho Palos Verdes Municipal Code, there shall be a separate penalty collected in connection with the permit application to legalize any construction, use, or activity that has occurred without required City permits or approvals. Such penalty shall be equal to triple the amount of the applicable permit fee specified in the City's Master Fee Schedule.

**ADMINISTRATIVE CITATION  
PENALTY FINE  
SCHEDULE**

<b>Tier 1 Penalty Fines</b>			
Violation Type	1 <sup>st</sup> Citation	2 <sup>nd</sup> Citation	3 <sup>rd</sup> Citation
Yard Maintenance	\$100	\$200	\$500
Property Maintenance	\$100	\$200	\$500
Animal Violations (not handled by LACO)	\$100	\$200	\$500
Rubbish/Trash Can	\$100	\$200	\$500
Banner/Signs	\$100	\$200	\$500
Graffiti	\$100	\$200	\$500
NPDES Violation	\$100	\$200	\$500
<b>Tier 2 Penalty Fines</b>			
Violation of any conditions of approval (including Conditional Use Permits)	\$1,000	\$2,000	\$3,000
Operating a short-term rental in the City's residential (RS or RM) zoning district	\$1,000	\$2,000	\$3,000
Building/working after Stop-Work Notice	\$1,000	\$2,000	\$3,000
Building/working with expired permits	\$1,000	\$2,000	\$3,000

PASSED, APPROVED and ADOPTED this 20<sup>th</sup> day of December 2016.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

State of California                    )  
County of Los Angeles                ) ss  
City of Rancho Palos Verdes         )

I, Teresa Takaoka, Acting City Clerk of the City of Rancho Palos Verdes, hereby certify that the above Resolution No. 2016-\_\_\_, was duly and regularly passed and adopted by the said City Council at a regular meeting thereof held on December 20, 2016.

\_\_\_\_\_  
City Clerk