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AGENDA
OXNARD CITY COUNCIL
HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE
Council Chambers, 305 West Third Street
February 26, 2019
Regular Meeting - 4:30 to 5:45 PM

A. ROLL CALL / POSTING OF AGENDA

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of fifteen minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker cards will not be accepted after the beginning of the general public comment period. Based on the number of speaker cards submitted, the presiding officer may impose time limits per speaker. Typically, speakers are limited to two minutes, but shorter time may be established as deemed necessary. A person not able to address the legislative body at this time because the fifteen minutes expires may do so just prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager for administrative action or scheduled on a subsequent agenda for discussion.

C. CONSENT AGENDA

City Clerk Department

1. SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Housing and Economic Development Committee approve the minutes of the February 12, 2019 Regular Meeting as presented.

Contact: Michelle Ascencion Phone: (805) 385-7805

D. REPORTS

Development Services Department

1. SUBJECT: Review and Discuss Policy Questions for the Development of a Short Term Vacation Rental Ordinance (15/15/30)

RECOMMENDATION: That the Housing and Economic Development Committee provide input on key questions which will provide the framework for the development

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

Agenda Item time estimates: (Staff Presentation / Committee Discussion / Public Comment)

of a short term rental ordinance. This input along with Planning Commission input from June 1, 2017 will be communicated to the City Council who will provide direction regarding Short Term Vacation Rentals (STRs).

Contact: Jeffrey Lambert

Phone: (805) 385-7882

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT

DRAFT

MINUTES

OXNARD CITY COUNCIL

HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE

Regular Meeting

February 12, 2019

A. ROLL CALL / POSTING OF AGENDA

At 4:34 p.m., Chair Madrigal called to order the regular meeting of the Oxnard City Council Housing and Economic Development Committee in the City Hall Council Chambers, 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Members Tim Flynn, Vianey Lopez, and Chair Oscar Madrigal were present.

Staff members present were Ashley Golden, Assistant City Manager; Kenneth Rozell, Assistant City Attorney; Kathleen Mallory, Planning and Environmental Services Manager; and Michelle Ascencion, City Clerk.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received from Barbara Macri-Ortiz (proposed that all new construction developments be required to give sale/rental priority to households living or working in Oxnard), Lucy Cartagena (finding solutions to homelessness in the city), and Steve Nash (upcoming review of the HUD grants).

C. CONSENT AGENDA

City Clerk Department

1. **SUBJECT**: Approval of Minutes.

RECOMMENDATION: That the Housing and Economic Development Committee approve the minutes of the January 22, 2019 Regular Meeting as presented.

It was moved by Member Flynn, seconded by Member Lopez, to approve the minutes as presented.

VOTE: Flynn, Lopez, and Madrigal voted in favor; the motion carried 3-0.

D. REPORTS

Development Services Department

1. **SUBJECT**: Legal Non-Conforming Use at 1700 E. Fifth Street - Camp Vanessa, now known as Villa Las Brisas Project.

RECOMMENDATION: That the Housing and Economic Development Committee receive a report regarding the proposed voluntary renovation of Villa Las Brisas farmworker employee housing facility located at 1700 East Fifth Street (formerly known as “Camp Vanessa” and “Campo Tres S”) and recommend that the City Council find that the proposed renovation is needed in the interest of the public health, safety, and welfare and qualifies for the exception under Oxnard City Code (OCC) Section 16-511, “Exemptions.”

The Planning and Environmental Services Manager gave a report. Public comments were received from Barbara Macri-Ortiz, Mark DiCecco, Peggy Rivera, Steve Nash, and Lucy Cartagena. Discussion ensued among the Council and staff.

It was moved by Member Flynn, seconded by Member Lopez, to approve the recommended action as presented. VOTE: Flynn, Lopez, and Madrigal voted in favor; the motion carried 3-0.

E. ITEMS FOR FUTURE AGENDAS

Member Lopez requested a status update of the year-round homeless shelter. Member Flynn requested a conversation be initiated on developing an economic development strategy. Chair Madrigal requested a future item on the balance of the Downtown settlement funds.

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Madrigal adjourned the meeting at 5:27 p.m.

MICHELLE ASCENCION, CMC
City Clerk

OSCAR MADRIGAL
Chair



**HOUSING AND ECONOMIC
DEVELOPMENT COMMITTEE**

AGENDA REPORT

TYPE OF ITEM: Report

AGENDA ITEM NO.: 1

DATE: February 26, 2019

TO: Housing and Economic Development Committee

FROM: Jeffrey Lambert, Development Services Director
jeffrey.lambert@oxnard.org, (805) 385-7882

SUBJECT: Review and Discuss Policy Questions for the Development of a Short Term
Vacation Rental Ordinance (15/15/30)

RECOMMENDATION

That the Housing and Economic Development Committee provide input on key questions which will provide the framework for the development of a short term rental ordinance. This input along with Planning Commission input from June 1, 2017 will be communicated to the City Council who will provide direction regarding Short Term Vacation Rentals (STRs).

BACKGROUND

Overview:

Over the last few years, the success of online platforms has made it easier and more convenient for private residents to advertise the availability of their homes for what is commonly referred to as “vacation rentals” or “short-term vacation rentals” (STR’s). As a result, the City of Oxnard, like many other cities along the coast, have seen an increase in the use of private residences for these purposes.

Short term rentals (rentals less than 30 days in duration) have occurred in the City of Oxnard for a number of years. Especially in the Coastal Zone, some owners use their homes as vacation homes and lease them out for part of the year – generally using a property management company to manage the rentals if they reside elsewhere. With the advent of Internet rental services such as Airbnb, HomeAway, and VRBO, the short term rental of homes, condominiums, and apartments in Oxnard has substantially increased, with additional impacts on neighborhoods occurring – especially within the Coastal Zone. Generally, STRs are a dwelling unit that is rented to a tenant for a period of less than 30 consecutive days. While STRs are praised by some residents for increasing tourism, stimulating the economy, and filling otherwise empty vacation homes, the City has received numerous complaints regarding nuisances, effects on the quality of life, and community character.

California Coastal Commission (CCC) Requirements and Legal Case Law:

The California Coastal Commission (CCC) has provided guidance on the STR matter. In a letter dated December 6, 2016, the CCC recognizes vacation rentals as an important source of visitor accommodations while understanding legitimate community concerns associated with the use. The letter explains that the CCC has not historically supported blanket vacation rental bans and has found such programs in the past to be inconsistent with the Coastal Act (see Attachment E). The letter also highlights certain regulations that have been historically supported by the Commission and provide guidance and direction on developing vacation rental regulations in the coastal zone. A number of cities within the Coastal Zone are currently considering new regulations or outright bans on short term rentals. However, the CCC has taken the position that – given that short term rentals have occurred in the Coastal Zone for a number of years – cities cannot ban short term rentals without an amendment to the Local Coastal Plan (LCP) which addresses state policy concerning coastal access. Given the CCC position to date, it is unlikely that the CCC would allow an outright ban on short term rentals within the Coastal Zone. CCC staff have, however, expressed willingness for cities to adopt so-called “good neighbor” regulations on short term rentals.

In letters written to the City of Laguna Beach and the City of Hermosa Beach, the CCC interpreted STRs as “a form of residential use, permitted by right, in any residentially zoned area unless such uses are specifically prohibited or otherwise restricted.” When communities have approved strict regulations and/or the prohibition of STRs within coastal jurisdictions they have regularly been overturned or modified. In CCC review of prohibitions in the cities of Pismo Beach, Encinitas and Imperial Beach, the CCC cited STRs as a “high priority visitor-serving use” and an “affordable option of overnight accommodations...”

Currently, the CCC and the City of Del Mar are in litigation over Del Mar’s Local LCP update which severely limited short-term rentals in residential zones. The Coastal Commission recommended that the LCP be modified. They recommend that short-term rentals have a 3-day minimum and 180 days maximum per year instead of a 7-day minimum and 90 days maximum as proposed by Del Mar. The Commission points out that Del Mar has only 355 hotel rooms and limiting STRs, “could have a significant adverse impact on promoting public access [to the beach] and visitor-serving opportunities.”

Oxnard City staff is currently in the process of comprehensively updating the LCP. Pursuant to CCC directive, the issue of STR’s and amendments to the City’s Local Coastal Plan (LCP) will need to be addressed in the creation of future policies for inclusion in the City’s LCPs. The coastal zoning ordinance will need to be amended in the future should the City wish to implement LCP STR policies and develop regulations to address STR’s.

Greenfield vs. Mandalay - The owner of a unit in the Mandalay Shores HOA sued the Association over a resolution adopted by the association board that bans short-term rentals. The 2nd District Court, in March 2018, decided, “that it is not in the business of tailoring STR rules. That should be left for the City, which is in the process of considering amending its coastal

zoning section to specifically deal with [STRs] and the Coastal Commission, which reviews any proposed amendment to the local coastal plan.”

Oxnard Public Outreach:

In March 2016, an online community survey was conducted which contained a series of questions designed to receive public input on STRs. These results were summarized and electronically distributed.

On August 16, 2016 staff conducted a community workshop to summarize the March survey results and secure feedback from the community on specific STR related regulations and questions. These results were summarized and electronically distributed (See Attachment A).

On November 3, 2016, the Planning Commission conducted a study session to receive input on specific STR regulations (see Attachment B).

On June 1, 2017, the Planning Commission conducted a public hearing and specifically addressed STR's, questions raised at the November 3rd meeting, and the following questions (see Attachment C):

1. Should there be a minimum distance between STRs; and if so, what should the distance be?
2. What should be the minimum rental duration of an STR?
3. Should there be a maximum number of nights that an STR is rented per year? And if so, what should the maximum be?
4. Should the City require or allow homestays?
What is a reasonable daytime visitor limit and parking based occupancy limit?

The Planning Commission's response to these questions is identified in Attachment D. Generally, there was little consensus amongst Commissioners on these key questions regarding STR's and how they should be regulated.

STR Policy Questions for Which There Was Consensus:

Since 2015, the staff has been evaluating STR options and reviewing and monitoring STR ordinances that are being implemented up and down the coast and in Ventura County (see Attachment F). Within Attachment F, Staff has summarized STR regulatory approaches. A one-size-fits-all approach does not have to be taken to address STRs in the City. Although more cumbersome to develop and enforce, regulations unique to specific areas of the City can be crafted.

The June 2016 community engagement and discussions with the Commission and public clearly indicate that:

- The community supports limiting the number of visitors to an STR;

- STR's should pay transient occupancy tax and should be permitted yearly; and
- STR's should maintain a consistent minimum rental duration throughout the year.

STR Policy Questions for Which There Was Not Consensus:

Staff is seeking input from the Committee on the following questions for which consensus from the Planning Commission was not achieved:

- What should be the minimum rental duration of an STR?
- Should there be a maximum number of nights that an STR is rented per year? And if so, what should the maximum be?
- Should the City require or allow homestays?
- Should there be a minimum distance between STRs; and if so, what should the distance be?
- What is a reasonable daytime visitor limit and parking based occupancy limit?

STRATEGIC PRIORITIES

This agenda item supports the Economic Development Strategy. The purpose of the Economic Development Strategy is to develop and enhance Oxnard's business climate, promote the City's fiscal health, and support economic growth in a manner consistent with the City's unique character. This item supports the following goals and objectives:

Goal 1. Create vibrant and economically sustainable commercial, industrial and retail industries throughout the City.

Objective 1a. Focus available resources on a comprehensive effort to promote economic activity in Oxnard, including a marketing program that communicates the City's available resources and assets.

Goal 2. Enhance business development throughout the City.

Objective 2a. Develop a strong citywide economy which attracts investment, increases the tax base, creates employment opportunities, and generates public revenue.

Objective 2c. Capitalize on historic, cultural and natural resources.

Objective 2d. Public safety will collaborate with the business community to promote an environment that supports economic development.

FINANCIAL IMPACT

The financial impact of the regulation of STRs is a complicated matter. Regulations that require permits, business licenses, and the payment of Transient Occupancy Tax (TOT) could bring additional revenue to the City and aid in promoting the City's tourism trade. Regulations that are

overly restrictive could reduce options for potential tourists as visitors may choose to vacation in another Southern California coastal city that provides more options. Currently, without regulations of the STR industry, most STRs operating in Oxnard are doing so without a business license, without paying TOT, and without a permit. The hosting platforms are also doing business in Oxnard without business licenses or paying taxes to the City on the revenue they generate from properties located in Oxnard. A February 19, 2018 report to the Santa Monica City Council states that since the City's ordinance was enacted in 2015, Santa Monica has collected \$4.6 million dollars in transient occupancy tax through October 31, 2017.

Residents are reporting more issues caused by STRs which results in more services calls by the police department and code enforcement. The cost of these additional service calls would need to be evaluated. There are also studies that indicate that regulations of STR have an impact on property values (and thus property taxes), however, the studies often have conflicting conclusions.

Prepared by Paul McClaren, Associate Planner and Kathleen Mallory, Planning & Environmental Services Manager.

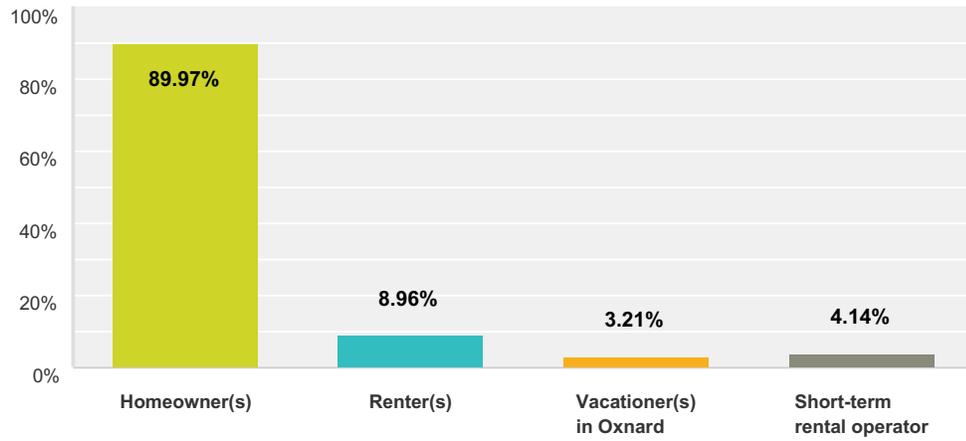
ATTACHMENTS

- A. Summary of Survey Results
- B. PC Study Session of November 3, 2016
- C. PC Study Session of June 1, 2017
- D. PC Summary on Questions from June 1, 2017
- E. Coastal Commission Correspondence
- F. Summary of STR's Ordinance Tracking Table

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Q1 I am a / We are:(choose all that apply)

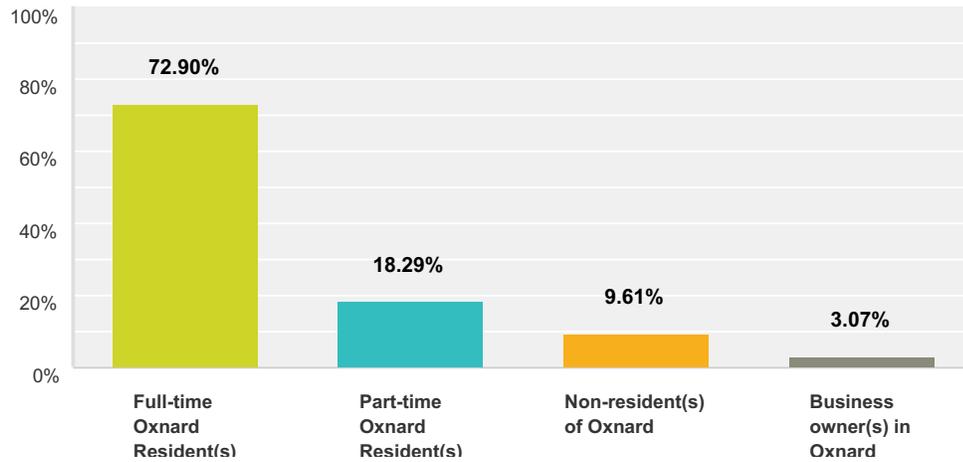
Answered: 748 Skipped: 2



Answer Choices	Responses	Count
Homeowner(s)	89.97%	673
Renter(s)	8.96%	67
Vacationer(s) in Oxnard	3.21%	24
Short-term rental operator	4.14%	31
Total Respondents: 748		

Q2 I am a / We are:(choose all that apply)

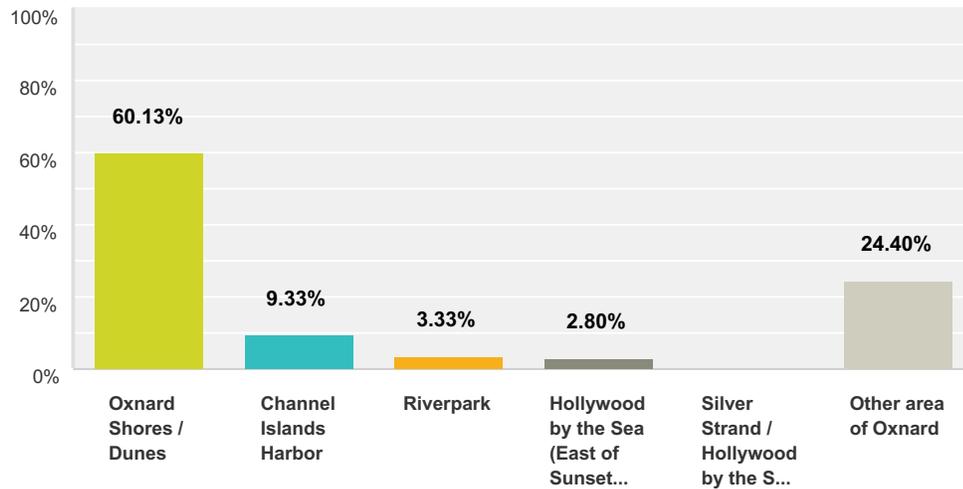
Answered: 749 Skipped: 1



Answer Choices	Responses	Count
Full-time Oxnard Resident(s)	72.90%	546
Part-time Oxnard Resident(s)	18.29%	137
Non-resident(s) of Oxnard	9.61%	72
Business owner(s) in Oxnard	3.07%	23
Total Respondents: 749		

Q3 Please identify the area which best describes the neighborhood you live in or where you operate your short-term rental. If you are unsure of the name of your neighborhood a map can be found here: <http://goo.gl/jzYbK7>.

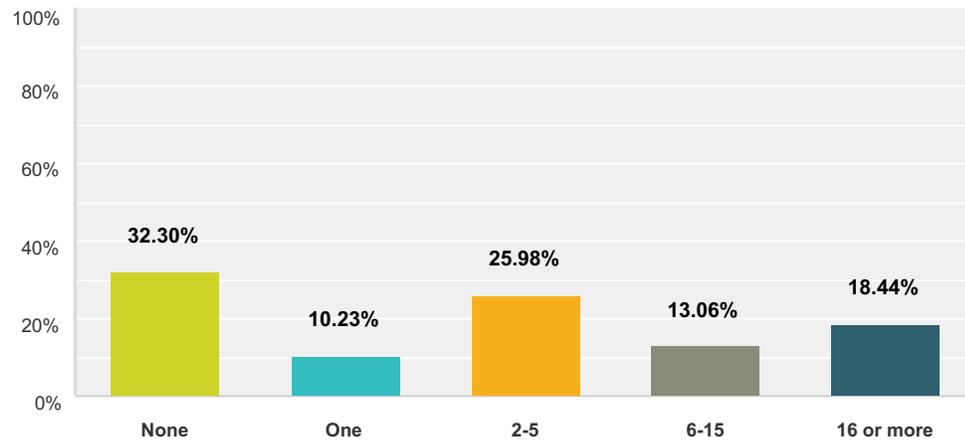
Answered: 750 Skipped: 0



Answer Choices	Responses	
Oxnard Shores / Dunes	60.13%	451
Channel Islands Harbor	9.33%	70
Riverpark	3.33%	25
Hollywood by the Sea (East of Sunset Lane)	2.80%	21
Silver Strand / Hollywood by the Sea (West of Sunset Lane)	0.00%	0
Other area of Oxnard	24.40%	183
Total		750

Q4 How many short-term rentals are you aware of in your neighborhood? (a short-term rental has a term of less than 30 days)

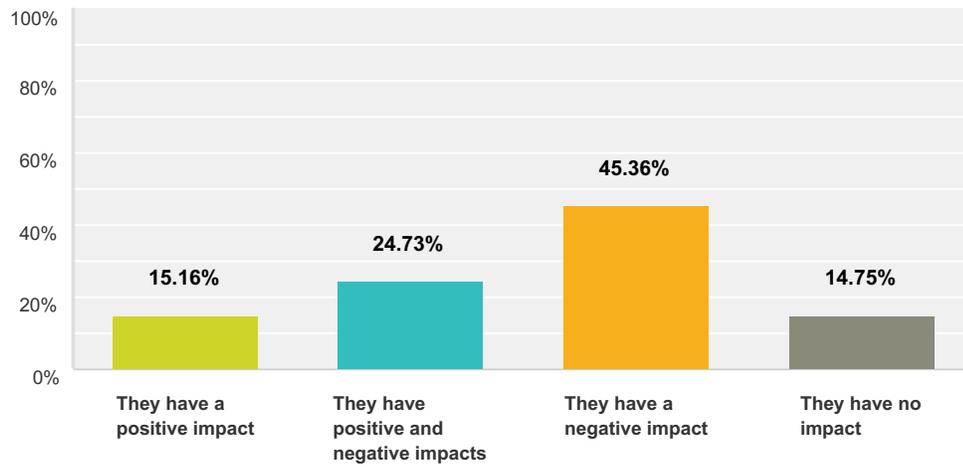
Answered: 743 Skipped: 7



Answer Choices	Responses	
None	32.30%	240
One	10.23%	76
2-5	25.98%	193
6-15	13.06%	97
16 or more	18.44%	137
Total		743

Q5 How do you perceive the presence of short-term rentals in your neighborhood?

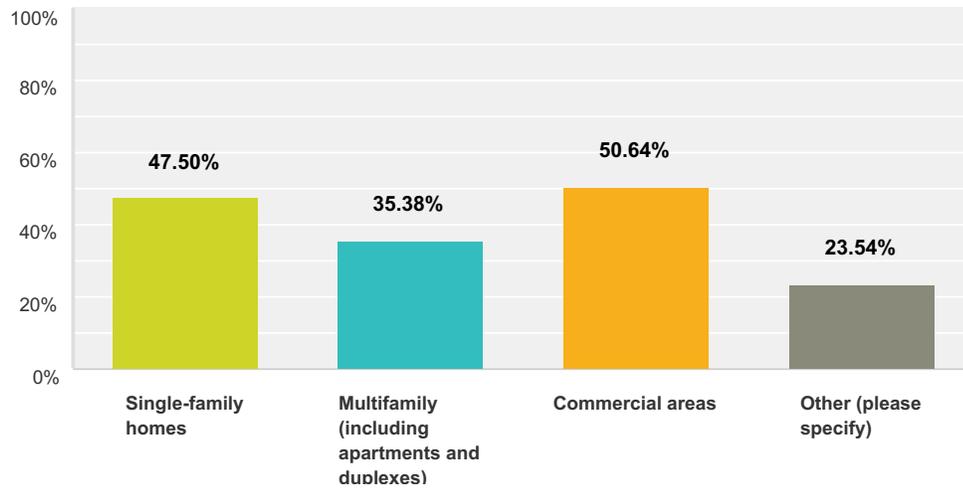
Answered: 732 Skipped: 18



Answer Choices	Responses	
They have a positive impact	15.16%	111
They have positive and negative impacts	24.73%	181
They have a negative impact	45.36%	332
They have no impact	14.75%	108
Total		732

Q6 I believe short-term rentals should be allowed in the following locations: (check all that apply)

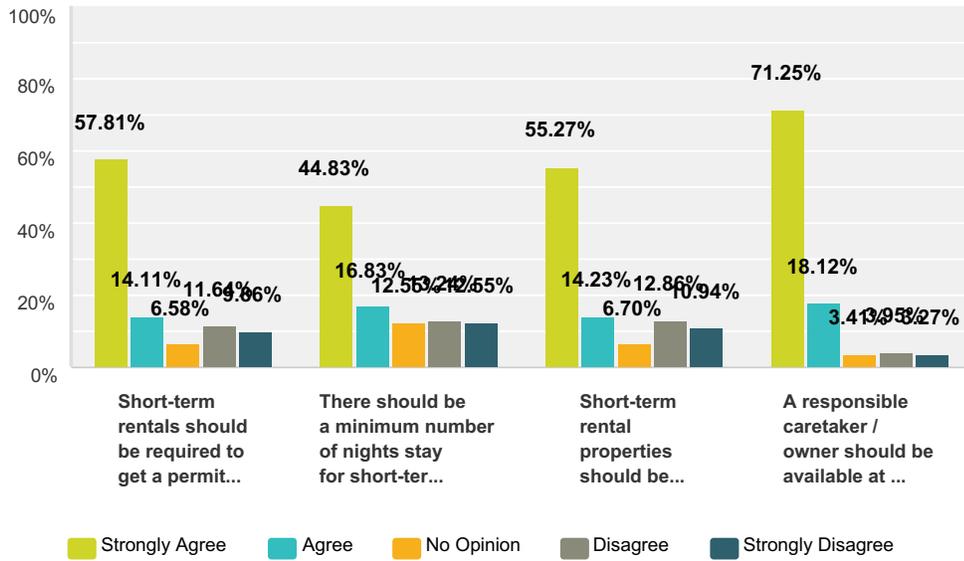
Answered: 701 Skipped: 49



Answer Choices	Responses	
Single-family homes	47.50%	333
Multifamily (including apartments and duplexes)	35.38%	248
Commercial areas	50.64%	355
Other (please specify)	23.54%	165
Total Respondents: 701		

Q7 Please Consider the following statements:

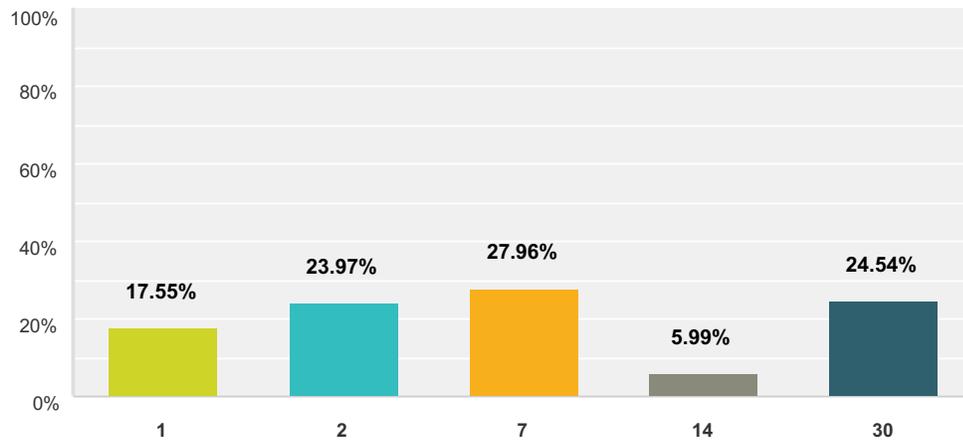
Answered: 736 Skipped: 14



	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	Total	Weighted Average
Short-term rentals should be required to get a permit from the City of Oxnard:	57.81% 422	14.11% 103	6.58% 48	11.64% 85	9.86% 72	730	2.02
There should be a minimum number of nights stay for short-term rentals:	44.83% 325	16.83% 122	12.55% 91	13.24% 96	12.55% 91	725	2.32
Short-term rental properties should be required to get a business license and pay taxes to the City, similar to hotels:	55.27% 404	14.23% 104	6.70% 49	12.86% 94	10.94% 80	731	2.10
A responsible caretaker / owner should be available at all times that a short-term rental is rented to respond to nuisances or concerns.	71.25% 523	18.12% 133	3.41% 25	3.95% 29	3.27% 24	734	1.50

Q8 What is the minimum number of nights a short-term rental should be rented out for?

Answered: 701 Skipped: 49



Answer Choices	Responses	
1	17.55%	123
2	23.97%	168
7	27.96%	196
14	5.99%	42
30	24.54%	172
Total		701

**Q9 Please include any additional thoughts
or comments here:**

Answered: 354 Skipped: 396

Q10 Thank you for your input! Click “Done” and your survey will be submitted anonymously. Please provide your contact information below if you would like to receive notice of future meetings regarding a short-term rental ordinance:

Answered: 354 Skipped: 396

Answer Choices	Responses	
Name	95.76%	339
Company	0.00%	0
Address	0.00%	0
Address 2	0.00%	0
City/Town	94.92%	336
State/Province	0.00%	0
ZIP/Postal Code	0.00%	0
Country	0.00%	0
Email Address	96.33%	341
Phone Number	0.00%	0

**PLANNING COMMISSION
STUDY SESSION**

TO: Planning Commission

FROM: James Combs, Assistant Planner

DATE: November 3, 2016

SUBJECT: Study Session Regarding Short-Term Vacation Rental (STR) Regulations.

1) Recommendation: That the Planning Commission receive a presentation regarding Short Term Rental regulations, receive public input, and provide direction to Staff.

2) Background:

a) Generally: In recent years, the advent of online services such as Airbnb and VRBO has led to a rise in the number of short-term rentals in communities in Oxnard and across the U.S. Generally, STRs are a dwelling unit that is rented to a tenant for a period of less than 30 consecutive days. While STRs are praised by some residents for increasing tourism, stimulating the economy, and filling otherwise empty vacation homes, the City has received numerous complaints regarding nuisances, effects on the quality of life, and community character. Beginning in mid-2015, in response to the increased community interest, the Planning Division began researching the various methods by which STRs are regulated by local jurisdictions and the California Coastal Commission (CCC).

b) Current Status of STRs: Although STRs are not specifically indicated as an allowed use in the residential zones, STRs have occurred in the City of Oxnard for a number of years. Especially in the Coastal Zone (including the Channel Islands Harbor area), some owners use their homes as vacation homes and lease them out for part of the year – generally using a property management company to manage the rentals if they lived outside of the area. The advent of internet rental services, however, has significantly increased the visibility of STRs in recent years.

c) California Coastal Commission: A number of cities within the Coastal Zone are currently considering new regulations, or outright bans on short term rentals. However, the CCC has taken the position that – given that short term rentals have occurred in the Coastal Zone for a number of years – cities cannot ban short term rentals without an amendment to the Local Coastal Plan which addresses state policy concerning coastal access. Given the CCC position to date, it is unlikely that the CCC would allow an outright ban on short term rentals within the Coastal Zone. CCC staff have, however, expressed willingness for cities to adopt so-called “good neighbor” regulations on short term rentals.

In letters written to the City of Laguna Beach, and the City of Hermosa Beach the CCC interpreted STRs as “a form of residential use, permitted by right, in any residentially zoned area unless such uses are specifically prohibited or otherwise restricted.” When communities have approved strict regulations and/or the prohibition of STRs within coastal jurisdictions they have regularly been overturned or modified. In CCC review of prohibitions in the cities of Pismo Beach, Encinitas and Imperial Beach, the CCC cited STRs as a “high priority visitor-serving use” and an “affordable option of overnight accommodations...” Attachment “A” provides examples of recent CCC decisions following attempts to ban or strictly regulate STRs.

3) Community Outreach and Public Input:

- a) Online Survey:** The City hosted an online survey between March 21 and April 6, 2016 to solicit public opinion on STRs. The survey was completed by 840 people, 750 of whom either reside or own property within City limits. Although opinions expressed in the survey varied, there was consensus that STRs have the potential to negatively impact the community and should be regulated. The results of the online survey are included as Attachment “B”.
- b) August 16, 2016 Community Meeting:** On August 16, 2016, a community meeting was held to review the results of the online survey, provide an overview of STRs, best practices to regulate STRs, and discuss proposed standards for STRs; 157 people attended this meeting. Of the attendees, 86% of the participants represented coastal neighborhoods. Following Staff’s presentation, the public was asked to participate in an exercise to provide additional feedback on seven specific STR regulations (see Attachment “C”).
- c) General Community Input:** In addition to the online survey and the community meeting, Staff has established a dedicated email address (info.str@oxnard.org) and website (www.oxnard.org/str). To date, Staff has received approximately 100 e-mails, 150 phone calls and approximately 50 handwritten letters regarding STRs. The correspondences include suggested regulations, complaints of existing STRs and how the community is negatively affected, requests to allow, and requests to ban STRs in Oxnard.

4) Best Practices: In reviewing how other cities have addressed STRs, Staff has identified the following best practices which we recommend be incorporated into STR regulations for Oxnard. Staff recommends inclusion of these best practices because these practices provide regulations which are being successfully utilized in other communities, and respond to concerns Oxnard residents have expressed. Staff acknowledges that additional refinement of these regulations, and processes to address reporting and permitting will be needed when an ordinance is presented to the Commission in the future:

- STRs should be defined as the rental of a housing unit for less than 30 days.

- Occupancy limits should be set at two people plus two additional people for each bedroom.
- A responsible caretaker must respond to complaints within 30 minutes of the complaint being logged and transmitted to the caretaker.
- Trash cannot be left in public view, except in containers for collection between certain hours for collection.
- An STR must have a nuisance response plan approved by the City as part of the STR review and approval process.
- STR lease agreements shall include operating restrictions to address the public health, safety, and welfare.
- Operating restrictions shall be prominently posted inside the STR while it is rented.
- Advertisements must include a City permit number.
- Nearby residents and property owners must be notified of a new STR in their area and should be provided with caretaker's contact information.

5) Regulations Suggested by Community Consensus: The survey and community meeting, indicated that there is overwhelming support from the community for the following regulations:

- Limit the number of visitors to an STR. A suggested limit is two daytime visitors, plus one additional visitor for each bedroom. Daytime hours were not specified to the community but staff proposes 7:00 AM to 10:00 PM.
- An STR should be required to pay transient occupancy taxes (TOT).
- An STR must receive a permit to operate from the City of Oxnard.
- The minimum rental duration of STRs should be the same year round and not vary by season.

6) Staff Recommended Regulations: In addition to the identified best practices, and regulations suggested by community consensus, Staff recommends implementing regulations which specifically address STR issues expressed by members of the community, and which are unique to specific areas of the City. Staff recommends the inclusion of the following additional regulations:

- **Parking-Based Occupancy Limit:** Apply a parking-based occupancy limit to supplement the occupancy limit based on bedrooms. The lower of the two occupancy limits shall be established as the overnight occupancy limit. Staff recommends allowing a parking-based occupancy limit of four people for each vehicle parking space provided on the STR property.
- **STRs On Properties Built to Zero Property Lines:** A number of community members have expressed concern over the unique security and safety issues associated with the close proximity of properties where residences are constructed immediately adjacent to a property line; this is often characterized as condominiums, some small lot single-family

subdivisions, and townhomes. Zero property line construction is common in the Channel Islands and Oxnard Dunes neighborhoods. Staff recommends that in instances where residences are built to a zero property line, an STR must seek neighbor(s) approval from the immediately adjacent neighbor.

- **Require Posting of Contact Information for Operator/Owner:** At all times that the STR is being rented, a sign shall be posted outside of the STR with the name and contact information for the responsible caretaker as well as other pertinent information regarding operating restrictions. The sign shall be taken down when the STR is not being rented.

7) Regulations Without Community Consensus: Consensus has not been achieved for the following regulations being considered by Staff:

- **Minimum Rental Duration:** The community has been surveyed twice on this topic with responses being sufficiently varied. An excerpt from Attachments “B” (Online Survey) and “C” (Community Meeting) are contained below and show the breakdown of community input:

Online Survey		
What minimum rental duration should be established?		
1 night	123	17.5%
2 nights	168	24%
7 nights	196	28%
14 nights	42	6%
30 nights	172	24.5%
Total Responses:	701	100.0%

August 16, 2016 Community Meeting		
What minimum rental duration should be established?		
1 night	12	11.2%
2 nights	14	13.1%
3 nights	25	23.4%
7 nights	22	20.6%
10 nights	34	31.8%
Total Responses:	107	100.0%

The CCC has not approved a minimum rental duration of greater than seven nights for communities with recently established STR regulations. Staff recommends that the Commission consider what, if any, minimum rental duration is appropriate for the City of Oxnard. Based upon CCC decisions and community input, staff recommends either two, three, or seven nights.

- Maximum Total Number of Nights Rented Per Year:** Oxnard has historically been a place where long term residents share their neighborhood with people who own vacation homes, who visit those homes occasionally and rent them when not in use. Prior to the community meeting in August 2016, a concern expressed was that an increasing number of STRs are being operated by investors who have little connection with the neighborhood and have been unresponsive to neighbor concerns. At the community meeting, Staff asked for input from the community on this issue. However, as shown in an excerpt from Attachment “C” below, no clear direction was received:

August 16, 2016 Community Meeting		
Maximum Number of Nights Rented Per Year		
Should an STR be limited to a maximum number of rentals per year?		
No	60	46.9%
90	55	43.0%
120	4	3.1%
180	9	7.0%
Total Responses:	128	100.0%

Establishing a limit on the number of days per year a STR may be rented discourages the operation of STRs as investment properties and encourages their use by owners. The maximum nights rented per year is a limit on the total number of nights a STR may be rented in a calendar year, not necessarily consecutively. As an example, if the maximum number of nights is set at 90 the STR could be rented out nearly every day of the summer, but could not be used as an STR for the rest of the year. Alternatively, the STR could be rented out nearly every weekend for the entire year as there are approximately 104 weekend days in a year, but would need to be empty during the week. If a 7 day minimum were instituted, in addition to a 90 night maximum number of nights rented, STRs would be limited to 12 one-week rentals per year ($90/7 = 12.8$). As a reference, the City of Los Angeles Draft Ordinance, proposes a 120 day maximum number of nights per year. Staff would like the Commission to consider if a limit on the total number of nights an STR may be rented would be appropriate for the City of Oxnard.

- Homestays:** A homestay is when the property owner and/or a long-term tenant remains on the property while a portion of the housing unit is being rented; often a room. Homestays seek to address the negative impacts of STRs by ensuring that a caretaker is onsite to immediately address potential issues or violations. All facilities, including kitchens, are shared between the owner or long-term tenant and the short-term tenant as part of a homestay. Homestays also limit the feasibility of investor operated STRs. The City of Santa Monica and the City of Los Angeles (Draft Ordinance), do not allow short-term rental of a house unless it is operated as a homestay. The City of San Francisco has separate regulations for STRs where the homeowner is onsite versus when they are out of

the home. Based on San Francisco’s experience, dual regulation for owners being onsite / offsite is nearly impossible to enforce. Staff would like the Commission to consider whether to require homestays. As shown in an excerpt of Attachment “C” the community was split on the issue of homestays:

August 16, 2016 Community Meeting		
Homestays Only (Property Owner Must Live On-Site While Rented)		
Should a property owner be required to be on-site while the unit is rented?		
No	69	51.5%
Yes	65	48.5%
Total Responses:	134	100.0%

Attachments:

- A. Recent Action by the California Coastal Commission on Short-Term Rentals
- B. Online Survey Results
- C. August 16, 2016 Community Meeting Results

Prepared by: _____ JC
Approved by: _____ KM



PLANNING COMMISSION STUDY SESSION

TO: Planning Commission

FROM: Kathleen Mallory, AICP, MA, LEED GA, Planning Director

DATE: May 23, 2017 (for June 1, 2017 Commission meeting)

SUBJECT: Study Session Regarding Short-Term Vacation Rental (STR) Regulations.

1) Recommendation: Receive a presentation on Planning Staff's prior work efforts regarding regulation of Short Term Vacation rentals and receive public and Planning Commission input on this topic. Input will be communicated to the City Council to assist in providing direction to address this issue.

2) Background:

a) Generally: Over the last few year, the success of online platforms has made it easier and more convenient for private residences to advertise the availability of their homes for what is commonly referred to as "vacation rentals" or "short-term rentals." As a result, the City of Oxnard, like many other cities along the coast, have seen an increase in the use of private residences for these purposes. The purpose of this staff report is to summarize staff's prior work efforts conducted in 2016 regarding this topic, report back on November 3, 2016 Planning Commission questions and comments pertaining to this issue, and to receive public and Planning Commission input on this topic. Input from the June 1st meeting will be transmitted to the City Council to assist the Council in formulating direction to address the issue of STR's.

Although short term rentals are not specifically indicated as an allowed use in the residential zones, short term rentals (rentals less than 30 days in duration) have occurred in the City of Oxnard for a number of years. Especially in the Coastal Zone (including the Channel Islands Harbor area), some owners use their homes as vacation homes and lease them out for part of the year – generally using a property management company to manage the rentals if they lived outside of the area. With, however, the advent of Internet rental services such as Airbnb, HomeAway and VRBO, the short term rental of homes, condominiums and apartments in Oxnard has substantially increased, with additional impacts on the neighborhood occurring – especially within the Coastal Zone.

b) California Coastal Commission: The California Coastal Commission (CCC) has provided guidance on the matter. In a letter dated December 6, 2016, the CCC recognizes vacation rentals as an important source of visitor accommodations while understanding legitimate community concerns associated with the use. The letter explains that the CCC has

not historically supported blanket vacation rental bans and has found such programs in the past to be inconsistent with the Coastal Act. The letter also highlights certain regulations that have been historically supported the Commission and provide guidance and direction on developing vacation rental regulations in the coastal zone (see Attachment “A”). A number of cities within the Coastal Zone are currently considering new regulations, or outright bans on short term rentals. However, the CCC has taken the position that – given that short term rentals have occurred in the Coastal Zone for a number of years – cities cannot ban short term rentals without an amendment to the Local Coastal Plan which addresses state policy concerning coastal access. Given the CCC position to date, it is unlikely that the CCC would allow an outright ban on short term rentals within the Coastal Zone. CCC staff have, however, expressed willingness for cities to adopt so-called “good neighbor” regulations on short term rentals.

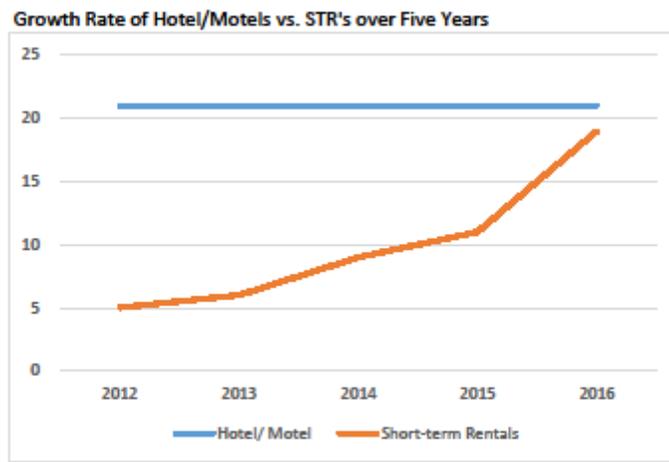
- c) Transit Oriented Tax (TOT):** The City's currently collects TOT hotels/motels and on those STR's that choose to pay it on a self-reporting basis (e.g., 30 days or less). The current TOT rate is 10 percent. Most of the local property management companies that manage the rental of homes collect TOT from that individuals renting the homes and transmit the TOT to the City of Oxnard. In 2012, the City received a little less than \$3.4 million in TOT taxes and in 2016, the City received a little less than \$5 million in yearly TOT tax. In four (4) years, STR TOT tax has increased by 56% while STR Hotel/Motel revenue has increased by 8% (1):

Year	TOT Hotel/Motel Revenue	Annual Growth Rate Hotel/Motel	TOT Short-term Rental Revenue	% Change in STR Revenue	Total TOT Revenue	% of overall TOT
2012	3,361,108.57		39,875.49		3,400,984.06	1.17%
2013	3,779,393.70	12%	46,934.10	18%	3,826,327.92	1.23%
2014	4,162,947.13	10%	61,638.33	31%	4,224,585.56	1.46%
2015	4,585,296.52	10%	69,080.17	12%	4,654,376.79	1.48%
2016	4,934,144.42	8%	107,513.61	56%	5,041,658.11	2.13%

Over the past five years, and based upon STR's that pay TOT, STR's have increased by 380% in the City:

Year	No. of Hotel/Motel	No. of Short-term Rentals	Growth rate over 5 yrs in STR's
2012	21	5	
2013	21	6	
2014	21	9	
2015	21	11	
2016	21	19	380%

1 Per fiscal year – July 1st – June 30th



- d) Enforcement:** STR complaints are filed with the Police Department. When a complaint is made, it is unknown if the complaint is related to an STR. When the Police Department investigates the call and completes their report, the police report is not correlated to the initial call. In other words, if the Police Department responds to a domestic dispute call and upon investigation determines that the call is STR related, there is no way in the current Police Department call and report summary software to go back and identify the call as an STR related call. It is possible to query Police Department calls by address. Due to staff resources and questions regarding the origins of the complaints, staff has not spent time doing this. City code enforcement staff periodically receive complaints regarding STR's; these typically occur on the weekend. Weekend code enforcement is limited to approximately 16 hours on Saturday and Sunday. Staff and Police resources to investigate these complaints is extremely limited.
- e) Recent Legal Cases:** Since the Planning Commission considered the STR issue in November 2016, there have been two Ventura County Superior Court decisions relating to short term rentals – *Greenfield v. Mandalay* and *Kracke v. City of Santa Barbara*.

In *Greenfield*, the plaintiff sued the Mandalay Shores Community Association (the “Association”) and sought a preliminary injunction to stop the Association from enforcing its ban on the short term rentals. The plaintiff argued that the limitation on the rental period is a “development” under the provisions of the California Coastal Act (Public Resources Code Section 30000 *et seq.*) and thus required a coastal development permit before the regulations could take place. (Under Public Resources Code Section 30106, a “development” includes a “change in the density or intensity of use of land”.)

The court declined to grant the preliminary injunction, finding that the ban on short term rentals by the Association was not a “development” since it did not change the existing zoning use for the property. The court, however, stated that the evidence in the case was

substantially in conflict and that the appropriate agency to address the issues raised by the case was the California Coastal Commission.

It is important to note that the California Coastal Commission and the City of Oxnard were not named as parties in the *Greenfield v. Mandalay* case. In addition, the action by the judge on January 5, 2017 was to deny the request for a preliminary injunction; there was no final judgment in the case. However, on March 3, 2017, the attorney for the plaintiff filed an appeal of the court's interim decision. The matter is now pending in the 2nd District Court of Appeal (Case No. B281089). No date has been set for briefing in this case.

The other case was *Kracke v. City of Santa Barbara*. While the case raised a number of procedural issues, the most relevant matters were a request by Petitioner Kracke for a preliminary injunction and writ of mandate to keep the City of Santa Barbara from enforcing certain of its municipal code provisions prohibiting short term rentals in specific residential zones. The court indicated that there were no cases holding that a governmental entity's zoning enforcement decision constituted a "development" under Public Resources Code Section 30106 (part of the California Coastal Act), which would require the issuance of a coastal development permit before the decision could be made.

The court's ruling was on March 10, 2017, however, that was not a final action in the case. A further hearing in the *Kracke* case has been set for May 25, 2017, with further action in the case possible after that date. Once the court takes a final action on that date, then the matter will be subject to appeal (see Attachment B).

- 3) Prior Planning Staff Work on STR's (Community Outreach and Public Input) and Planning Commission Input:** Because members of the Planning Commission have changed since 2016, this section of the staff report is provided to bring new Commissioners up to speed on Staff's prior work on the STR issue. This report also summarizes prior Planning Commission meetings on this topic.

Prior STR Work and City Meetings

- a) Online Survey:** The City hosted an online survey between March 21 and April 6, 2016 to solicit public opinion on STRs. The survey was completed by 840 people, 750 of whom either reside or own property within City limits. Although opinions expressed in the survey varied, there was consensus that STRs have the potential to negatively impact the community and should be regulated. The results of the online survey are included as Attachment "C" – see <https://www.oxnard.org/str/>
- b) August 16, 2016 Community Meeting:** On August 16, 2016, a community meeting was held to review the results of the online survey, provide an overview of STRs, best practices to regulate STRs, and discuss proposed standards for STRs; 157 people attended this meeting. Of the attendees, 86% of the participants represented coastal neighborhoods.

Following Staff's presentation, the public was asked to participate in an exercise to provide additional feedback on seven specific STR regulations (see Attachment "D" - <https://www.oxnard.org/str/> - scroll about half way down the page).

- c) November 2016 Planning Commission Public Hearing:** On November 3, 2016, the Planning Commission conducted a public hearing to receive public input on a specific series of STR performance standards. Staff provided a series of questions and comments intended to solicit input on best practices. The report identified staff recommended best practices for which there was consensus and best practices which needed further dialogue. The community and Commission discussed various concerns regarding the STR issue, but no clear policy direction was communicated. No clear consensus was gained from this meeting (see Attachment "E" - <https://www.oxnard.org/str/>). The Commission did ask a series of questions. Staff's response to these questions is contained in Attachment "F".
- d) General Community Input:** In addition to the online survey and the community meeting, Staff has established a dedicated email address (info.str@oxnard.org) and webpage (www.oxnard.org/str). To date, Staff has received approximately 200 e-mails, 200 phone calls and approximately 70 handwritten letters regarding STRs. The correspondences include suggested regulations, complaints of existing STRs and how the community is negatively affected, requests to allow, and requests to ban STRs in Oxnard.

4) STR Regulatory Options:

- a) Types of STR's:** Vacation rentals or STR's can be broken into two categories as described below:
- 1. Whole House STR's** – A whole home is a dwelling unit that is occupied as a whole by transient for compensation for fewer than thirty consecutive days.
 - 2. Home Sharing STR's** – Home sharing is an accessory use within a dwelling unit where the primary resident resides in the dwelling unit while providing accommodations to guests for compensation. The guest would not have free access to and use of all of the dwelling unit.
- b) Best Practices Applicable to Either Whole House or Home Sharing STR's:** Through Staff's research regarding this topic over the past two (2) years, Staff has identified the following best practices which should be universally applied to either whole house or home sharing STR's:
- STRs should be defined as the rental of a housing unit for less than 30 days.
 - Occupancy limits should be set at two people plus two additional people for each bedroom.
 - A responsible caretaker must respond to complaints within 30 minutes of the complaint being logged and transmitted to the caretaker.

- Trash cannot be left in public view, except in containers for collection between certain hours for collection.
- An STR must have a nuisance response plan approved by the City as part of the STR review and approval process.
- STR lease agreements shall include operating restrictions to address the public health, safety, and welfare.
- Operating restrictions shall be prominently posted inside the STR while it is rented.
- Advertisements must include a City permit number.
- Nearby residents and property owners must be notified of a new STR in their area and should be provided with caretaker's contact information.
- Due to City resources and the extensive number of hours and associated cost incurred to implement an STR program, a third-party compliance company should be utilized to verify compliance with best practices, permit conditions, and dispute resolution.

c) Regulations Suggested by Community Consensus: The 2016 survey and 2016 community meeting, indicated that there is overwhelming support from the community for the following regulations:

- Limit the number of visitors to an STR. A suggested limit is two daytime visitors, plus one additional visitor for each bedroom. Daytime hours were not specified by the community, but staff proposes 7:00 AM to 10:00 PM.
- An STR should be required to pay TOT.
- An STR should receive a permit to operate from the City of Oxnard.
- The minimum rental duration of STRs should be the same year round and not vary by season.

d) Staff Recommended Regulations: In addition to the identified best practices, and regulations suggested by community consensus, Staff recommends implementing regulations which specifically address STR issues expressed by members of the community, and which are unique to specific areas of the City. Staff recommends the inclusion of the following additional regulations:

- **Parking-Based Occupancy Limit:** Apply a parking-based occupancy limit to supplement the occupancy limit based on bedrooms. The lower of the two occupancy limits shall be established as the overnight occupancy limit. Staff recommends allowing a parking-based occupancy limit of four people for each vehicle parking space provided on the STR property.
- **STRs on Properties Built to Zero Property Lines:** A number of community members have expressed concern over the unique security and safety issues associated with the close proximity of properties where residences are constructed immediately adjacent to a property line; this is often characterized as condominiums, some small lot single-family subdivisions, and townhomes. Zero property line construction is common in the Channel

Islands and Oxnard Dunes neighborhoods. Staff recommends that in instances where residences are built to a zero property line, an STR must seek neighbor(s) approval from the immediately adjacent neighbor.

- **Require Posting of Contact Information for Operator/Owner:** At all times that the STR is being rented, a sign shall be posted outside of the STR with the name and contact information for the responsible caretaker as well as other pertinent information regarding operating restrictions. The sign shall be taken down when the STR is not being rented.

e) Regulations Without Community Consensus: Consensus has not been achieved for the following regulations being considered by Staff:

- **Minimum Rental Duration:** The community has been surveyed twice on this topic with responses being sufficiently varied. An excerpt from Attachments “C” (Online Survey) and “D” (Community Meeting) are contained below and show the breakdown of community input:

Online Survey			
What minimum rental duration should be established?			
1 night	123	17.5%	
2 nights	168	24%	
7 nights	196	28%	
14 nights	42	6%	
30 nights	172	24.5%	
Total Responses:	701	100.0%	

August 16, 2016 Community Meeting			
What minimum rental duration should be established?			
1 night	12	11.2%	
2 nights	14	13.1%	
3 nights	25	23.4%	
7 nights	22	20.6%	
10 nights	34	31.8%	
Total Responses:	107	100.0%	

The CCC has not approved a minimum rental duration of greater than seven nights for communities with recently established STR regulations. Staff recommends that the Commission consider what, if any, minimum rental duration is appropriate for the City of Oxnard. Based upon CCC decisions and community input, staff recommends either two, three, or seven nights.

- Maximum Total Number of Nights Rented Per Year:** Oxnard has historically been a place where long term residents share their neighborhood with people who own vacation homes, who visit those homes occasionally and rent them when not in use. Prior to the community meeting in August 2016, a concern expressed was that an increasing number of STRs are being operated by investors who have little connection with the neighborhood and have been unresponsive to neighbor concerns. At the community meeting, Staff asked for input from the community on this issue. However, as shown in an excerpt from Attachment “D” below, no clear direction was received:

August 16, 2016 Community Meeting		
Maximum Number of Nights Rented Per Year		
Should an STR be limited to a maximum number of rentals per year?		
No	60	46.9%
90	55	43.0%
120	4	3.1%
180	9	7.0%
Total Responses:	128	100.0%

Establishing a limit on the number of days per year an STR may be rented discourages the operation of STRs as investment properties and encourages their use by owners. The maximum nights rented per year is a limit on the total number of nights a STR may be rented in a calendar year, not necessarily consecutively. As an example, if the maximum number of nights is set at 90 the STR could be rented out nearly every day of the summer, but could not be used as an STR for the rest of the year. Alternatively, the STR could be rented out nearly every weekend for the entire year as there are approximately 104 weekend days in a year, but would need to be empty during the week. If a 7 day minimum were instituted, in addition to a 90 night maximum number of nights rented, STRs would be limited to 12 one-week rentals per year ($90/7 = 12.8$). As a reference, the City of Los Angeles Draft Ordinance, proposes a 120 day maximum number of nights per year. Staff would like the Commission to consider if a limit on the total number of nights an STR may be rented would be appropriate for the City of Oxnard.

- Homestays:** A homestay is when the property owner and/or a long-term tenant remains on the property while a portion of the housing unit is being rented; often a room. Homestays seek to address the negative impacts of STRs by ensuring that a caretaker is onsite to immediately address potential issues or violations. All facilities, including kitchens, are shared between the owner or long-term tenant and the short-term tenant as part of a homestay. Homestays also limit the feasibility of investor operated STRs. The City of Santa Monica and the City of Los Angeles (Draft Ordinance), do not allow short-term rental of a house unless it is operated as a homestay. The City of San Francisco has separate regulations for STRs where the homeowner is onsite versus when they are out of the home. Based on San Francisco’s experience, dual regulation for owners being onsite

/ offsite is nearly impossible to enforce. Staff would like the Commission to consider whether to require homestays. As shown in an excerpt of Attachment “D” the community was split on the issue of homestays:

August 16, 2016 Community Meeting		
Homestays Only (Property Owner Must Live On-Site While Rented)		
Should a property owner be required to be on-site while the unit is rented?		
No	69	51.5%
Yes	65	48.5%
Total Responses:	134	100.0%

5) Conclusion: The STR issue continues to be a significant public policy and planning issue for which policy-direction is needed. While Planning Staff has been evaluating options and tracking regulatory approaches, ultimately the decision on how to address the STR will be made by the City Council. Community and Planning Commission input on these important questions and regulatory approaches will help the City Council craft a regulatory approach which is suited for the City of Oxnard.

Attachments:

- A. December 6, 2016 California Coastal Commission Guidance on Short-Term Rentals
- B. Recent Legal Cases – Kracke and Greenfield
- C. Online Survey Results – See <https://www.oxnard.org/str/>
- D. August 16, 2016 Community Meeting Results – See <https://www.oxnard.org/str/>
- E. November 3, 2016 Staff Report – See <https://www.oxnard.org/str/>
- F. Staff’s Response to November 3, 2016 Commission Comments

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Short Term Vacation Rentals (STR's)

Commission Comments from June 1st Planning Commission Meeting

(Commissioner Stewart absent; Chair Frank recused)

Commissioner and public questions:

1. Should there be a minimum distance between STRs; and if so, what should the distance be?
2. What should be the minimum rental duration of an STR?
3. Should there be a maximum number of nights that an STR is rented per year? And if so, what should the maximum be?
4. Should the City require or allow homestays?
5. What is a reasonable daytime visitor limit and parking based occupancy limit?

Commissioner Dozier

- a) The Local Coastal Program (LCP) won't be approved if the City bans STR's. The City can't refuse to have STR's.
- b) 400 ft. is an agreeable minimum distance between STR's based upon the survey.
- c) Develop a set number of permits that could be issued based upon square footage in the area.
- d) Look at best practices that have been gathered from other cities and use that as a guideline to see how to administer STR programs.
- e) Put in place some funding mechanism (ex., like a Community Facilities District) so a portion of the Transit Occupancy Tax (TOT) revenue is put back into the area where the CFD generated use is located in order to help with upkeep and maintain the area.

Commissioner Fuhring

- a) Based upon what the California Coastal Commission (CCC) is saying, we have to regulate STR's. We should only allow homestays. If we are successful in regulating homestays then we can consider allowing and regulating whole house STR's.
- b) There should be no minimum distance required between STR's.
- c) The minimum rental duration should be 1 week.
- d) I have no opinion on the maximum number of nights at STR or homestay should be rented.
- e) If the unit is owner occupied, the owner should be limited to renting out only 1 bedroom and only 1 visitor car should be allowed.

Commissioner Chua

- a) As for minimum distance between STR's, there could be a signature approval process where the applicant obtains signatures from people living within a certain distance of an STR. We can set a high bar like 90% approval rate.
- b) If regulating STR, the City needs staffing which are specifically designated to enforcing STR regulations. City need to have responsibility to provide peace and order. Prioritizes staffing to respond to calls on areas with a major concentration of STR's.

- c) On number of visitors, set the maximum number of people and parking allowed, not a range as proposed by staff.
- d) I support homestays. An absentee homeowner is required to have an onsite resident who represents the homeowner and is responsible for staying on the property when the home is rented as a homestay.
- e) The maximum rental day should be 7 days.
- f) No opinion on maximum number of nights rented per year. If have homestays on the property, this might negate the problem.

Commissioner Sanchez

- a) Put a limit on the number of STR allowed in a particular neighborhood.
- b) STR's need to be regulated.
- c) It is not acceptable for investors who purchase homes to rent as STRs to not have accountability.
- d) I like Commissioner Dozier's idea to looking at best practices from other cities and extract items which we think will work best for us.

Commissioner Huber

- a) We have STRs throughout the city, not just at the beach.
- b) There is a cost to require enforcement.
- c) Put definition into the zoning code to define a STR; it should be less than 30 days.
- d) STR should pay TOT.
- e) For home sharing outside the beach area, we need to have a person that resides in the city limits so they can respond to a potential complaint within 30 minutes.
- f) I like the idea of a percentage of homes being rented to an STRs; but it should be a low percentage - like 3%.
- g) There should be no large parties without a permit. We need to regulate these with an SUP.
- h) We should not have a lottery to determine who get to operate STRs.
- i) We should have an STR Administrator.
- j) Timeshares should be defined as not less than 7 days and no more than 30 days.
- k) We should limit the number of nights an STR can be rented to 120 days per year.
- l) The responsible caretaker in the RB1 zone should be available to respond within 15 minutes of receiving a complaint.
- m) I don't like the idea of playing STR signage outside the home. The responsible caretaker must provide caretaker's contact information to the residents and property owners in the area.
- n) Limit parking to what the property has on site.
- o) Don't like establishing an occupancy limit.

CALIFORNIA COASTAL COMMISSION

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July 19, 2016

Sample of Commission Actions on Short Term Rentals

Several local governments in the coastal zone have developed LCP ordinances to address Short Term Vacation Rentals. Some examples of the Commission review and actions on these LCP amendments are listed below. These often have a history of local controversy. For any questions about these actions, please contact the Commission staff in the applicable District office at <http://www.coastal.ca.gov/address.html>

City of Trinidad LCP Amendment No. LCP-1-TRN-14-0846-1 (Vacation Dwelling Unit (“VDU”) Ordinance) (Ord 2014-01) - IP amendment; adds a new Section 6.26 addressing the licensing of short term rental of single- and multifamily residences and accessory dwellings as "vacation dwelling units;" includes changes to the coastal zoning ordinance's signage and off-street parking sections pertaining to such vacation rentals. The IP amendment includes various requirements for use of residences for vacation rentals such as parking requirements, occupancy limitations, and restrictions on water use to avoid overtaxing septic system capacity. Approved as submitted at Commission hearing 3/11/15. In June 2015, a moratorium was enacted through urgency ordinance due to community concerns about negative impacts of VDUs.

<http://documents.coastal.ca.gov/reports/2015/3/w9b-3-2015.pdf>

See also Attachment 1.

Humboldt County LCP Amendment No. HUM-MAJ-1-98-C – Allows for vacation rentals in the Shelter Cove area of Humboldt County only. Approved with suggested modifications at the Commission hearing 9/14/05, but the County did not accept the suggested modifications in a timely manner (by March 2006) and the amendment expired.

<http://documents.coastal.ca.gov/reports/2005/9/W5a-9-2005.pdf>

Santa Cruz County LCP Amendment No. 1-11 Part 3 (Vacation Rentals) - Allows vacation rentals in all zoning districts that allow stand-alone residential uses and requires: 1) a permitting/registration process; 2) payment of Transient Occupancy Tax (TOT) to the County; 3) signage identifying a structure as a vacation rental, including the name and phone number of a local contact person responsible for responding to complaints; 4) a dispute resolution process, and; 5) that the property owner be subject to enforcement provisions; limits the number of guests allowed at any one time, and the number of vehicles allowed per vacation rental unit; regulations don't apply to the Pajaro Dunes area, and include additional requirements within the Live Oak Designated Area (LODA) (essentially the Live Oak beach area between the Santa Cruz Harbor and 41st Avenue) that prohibit new vacation rentals if vacation rentals exceed 20% of the residential use of any particular block or if vacation rentals constitute more than 15% of residential stock in the LODA overall. Approved as submitted at Commission hearing 7/12/11.

<http://documents.coastal.ca.gov/reports/2011/7/W6b-7-2011.pdf>

Santa Cruz County LCP Amendment No. LCP-3-SCO-15-0008-1 Part A (de minimis) (Vacation Rental Ordinance Update) - Extends the regulations governing vacation rentals in the Live Oak Designated Area (LODA) to a portion of the Aptos/Seacliff area referred to as the Seacliff/Aptos Designated Area (SADA); clarifies regulations to: 1) provide more specificity for notice to the public and renters (e.g. a requirement that applications include a photo of required contact sign and owner contact information, and a requirement that vacation rental signs be maintained while in rental); 2) require an amendment to a vacation rental permit if the number of bedrooms in the vacation rental is increased or if the square footage of the vacation rental is increased by more than 50%; 3) expand violation provisions; 4) clarify that a vacation rental is a dwelling that is rented in its entirety (as opposed to one or more rooms rented within a single family dwelling), and; 5) prohibit new vacation rental units in “common wall” developments unless the adjoining property owners have no objection to the issuance of a permit for such use. The creation of the SADA is intended to apply the vacation rental restrictions that are currently in place for the Live Oak Area (e.g., a limit on the number of vacation rentals per block) to a portion of the Seacliff/Aptos area, with the exception of certain locations in the Seacliff/Aptos area that have historically provided substantial vacation rental opportunities. Approved at Commission Hearing 5/14/15.

<http://documents.coastal.ca.gov/reports/2015/5/th22a-5-2015.pdf>

San Luis Obispo County IP Amendment No. LCPA 1-01 Part A (Vacation Rental Ordinance) - Defines and identifies residential vacation rentals as a particular type of land use, conditionally authorizes this use within various land use categories throughout the County coastal zone, and establishes regulations for residential vacation rentals that are applicable only in the communities of Cambria and Cayucos, where residents have expressed significant concerns regarding the impacts of vacation rentals. Approved with suggested modifications, 4/11/03; Certification Review 9/10/03.

<http://documents.coastal.ca.gov/reports/2003/4/F18a-4-2003.pdf>

<http://documents.coastal.ca.gov/reports/2003/9/W13c-9-2003.pdf>

San Luis Obispo County IP Amendment No. LCPA 1-12 (Vacation Rentals) - Refines the IP ordinance language first certified in 2003, and allows for vacation rentals in residential and agricultural properties throughout San Luis Obispo County’s coastal zone, with additional regulations for the Cambria and Cayucos areas of the County due to residents’ concerns about the impacts of vacation rentals in these communities). Approved as submitted at Commission hearing 11/13/13.

<http://documents.coastal.ca.gov/reports/2013/11/W10a-11-2013.pdf>

City of Pismo Beach No. LCP PSB-1-10 Part 2 (Vacation Rentals) - Proposed a ban on vacation rentals in all residentially zoned areas. Denied by the Commission at 12/8/11 hearing.

<http://documents.coastal.ca.gov/reports/2011/12/Th20b-12-2011.pdf>

City of Dana Point LCP Amendment No. 1-14 (LCP-5-DPT-MAJ-14-0105-1 Short-Term Rentals) - Allows short-term rentals in all the Zoning Districts where residential uses are allowed, subject to the criteria listed in Chapter 5.38 of the City’s Municipal Code.

Approved with suggested modifications, April 14, 2016. Not yet effectively certified.

<http://documents.coastal.ca.gov/reports/2016/4/th10a-4-2016.pdf>

City of Encinitas LCP Amendment No. 2-05 (Short-term Vacation Rentals) – Request to prohibit vacation rentals in all residential zones; Continued at 10/12-14/05 hearing – duplicate LCPA request to No. 1-06 – Ultimately withdrawn by applicant at 2/9/06 hearing.

City of Encinitas LCP Amendment No. 1-06 (Short-term Vacation Rentals) - Allows for vacation rentals in the City of Encinitas on the west side of Highway 101 only.

Approved with suggested modifications at hearing 11/14-17/06; the City did not accept the suggested modifications and the amendment expired.

<http://documents.coastal.ca.gov/reports/2006/11/T9c-11-2006.pdf>

See the Addendum in Attachment 2.

City of Solana Beach Land Use Plan – Permits short-term vacation rentals in all residential zones but specifies a minimum seven (7) day stay. The Commission found the City's small size and the lack of services and activities typically associated with a vacation destination in its residential neighborhoods were distinguishing factors. The Commission also noted that while the restriction on short-term rentals to a minimum of 7 days could limit their use by vacationers who cannot afford the time and expense of a weekly rental, a 7 day minimum still ensures some vacation rental opportunities in Solana Beach.

Approved with suggested modifications at 3/7/12 hearing; revised findings adopted at June 2012 hearing

<http://documents.coastal.ca.gov/reports/2012/6/Th24a-6-2012.pdf>

City of Imperial Beach LCP Amendment 1-02 A (Short term Rentals) – Proposed prohibition of short-term rentals of residential properties except in Seacoast Commercial Zone and Overlay. Denied at Commission hearing 9/9/02; revised findings adopted at November 2002 hearing

<http://documents.coastal.ca.gov/reports/2002/9/M7a-9-2002.pdf>

<http://documents.coastal.ca.gov/reports/2002/11/Th16a-11-2002.pdf>

And see Addendum in Attachment 3.

City of Imperial Beach LCP Amendment 1-03 (Short-term Rentals) – Adds a definition of "short-term rental" as "the renting of residential property for less than 30 days; adds short-term rentals as a permitted use in the C-1 (General Commercial), the C-2 (Seacoast Commercial) and MU-2 (Mixed Use Overlay) zones. A specific, limited number of existing short-term residential rentals that have been issued a provisional permit would be permitted in the R-1500 High Density Residential Zone until January 1, 2007. Does not apply to bed and breakfast-type inns, motels, hotels, or timeshare developments; also adds a new definition of "time share." Approved as submitted 2/19/04

<http://documents.coastal.ca.gov/reports/2004/2/Th14e-2-2004.pdf>

TRINIDAD CITY HALL
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 409 Trinity Street
 Trinidad, CA 95570
 (707) 677-0223

COPY

JULIE FULKERSON, MAYOR
GABRIEL ADAMS, CITY CLERK



ORDINANCE 2014-01

AN ORDINANCE OF THE CITY OF TRINIDAD
ADDING SECTION 17.56.190 TO TITLE 17 OF THE TRINIDAD MUNICIPAL CODE (ADDING
SECTION 6.26 TO THE COASTAL COMMISSION CERTIFIED ZONING ORDINANCE),
AND AMENDING SECTIONS 17.56.160 AND 17.56.180 OF THE TRINIDAD MUNICIPAL
CODE (AMENDING SECTIONS 6.16 AND 6.18 OF THE COASTAL COMMISSION
CERTIFIED ZONING ORDINANCE)

The City Council of the City of Trinidad does hereby ordain as follows:

ORDINANCE 2012-01, SECTION 1:

There is hereby added to the Trinidad Municipal Code a new Section, Section 17.56.190, (and hereby added to the Coastal Commission certified Zoning Ordinance a new Section 6.26), "City of Trinidad Vacation Dwelling Unit Ordinance," which shall read as follows:

Section 17.56.180 (6.26) Regulations for Vacation Dwelling Units

Sections:

17.56.190 (6.26).A	Short Title
17.56.190 (6.26).B	Definitions
17.56.190 (6.26).C	Purpose
17.56.190 (6.26).D	Application Requirements
17.56.190 (6.26).E	Effect on Existing Vacation Dwelling Units
17.56.190 (6.26).F	Location
17.56.190 (6.26).G	Non-Permitted Uses
17.56.190 (6.26).H	VDU Standards
17.56.190 (6.26).I	Tourist Occupancy Tax
17.56.190 (6.26).J	Audit
17.56.190 (6.26).K	Dispute Resolution
17.56.190 (6.26).L	Violations—Penalty
17.56.190 (6.26).M	Violations—Revocation
17.56.190 (6.26).N	Ordinance Review

17.56.190 (6.26).A

Short Title.

This Section shall be known and may be cited as "City of Trinidad Vacation Dwelling Unit Ordinance."

17.56.190 (6.26).B

Definitions.

1. Good Neighbor Brochure.

Good Neighbor Brochure. "Good Neighbor Brochure" means a document prepared by the City and approved by the City Manager that summarizes general rules of conduct, consideration, respect, and potential remedial actions. In particular, the brochure shall include provisions for off-street parking, minimizing noise, establishing quiet hours, and minimizing disturbance to neighbors and environmentally sensitive habitat areas.

2. Event.

"Event" means any use of a structure or land for a limited period of time. "Event" includes, but is not limited to, art shows, religious revivals, tent camps, concerts, fundraisers, and weddings or receptions. "Event" does not include small parties and social gatherings of 20 people or less consistent with normal residential use.

3. Occupant.

"Occupant" within this Section means any person who exercises occupancy of a Vacation Dwelling Unit (VDU) or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of 30 consecutive calendar days, or less, counting portions of calendar days as full days. Any such person so occupying space in a VDU shall be deemed to be a tourist until the period of 30 days has transpired. As used in this Section, "occupant" does not include children aged 5 or under.

4. Transient Use.

"Transient use" means any contractual use of a structure or portion thereof for residential, dwelling or sleeping purposes, for any period of time which is 30 consecutive days, or less.

5. Vacation Dwelling Unit.

"Vacation Dwelling Unit" (VDU) means any structure, accessory structure, or portion of such structures, which is contracted for transient use. As used in this Section, the definition of "Vacation Dwelling Unit" encompasses any structure or any portion of any structure which is occupied or intended or designed for occupancy by tourists for dwelling, lodging or sleeping purposes, and includes any home or house, tourist home or house, mobile home or house trailer at a fixed location except when located within a mobile home park or RV park, or other similar structure or portion thereof. "Vacation Dwelling Unit" does not include home exchanges or a short-term rental one time in a calendar year.

6. Visitor.

"Visitor" means someone staying temporarily at a VDU, but that is not an "occupant" and not staying at the VDU overnight.

17.56.190 (6.26).C

Purpose.

The purpose of this Section is to provide for the renting of single- and multi-family dwellings, and accessory dwelling units, for periods of thirty consecutive days or less, as transient visitor accommodations, consistent with all other provisions of the General Plan and Zoning Ordinance, and to ensure that Vacation Dwelling Units are compatible with surrounding residential and other uses and will not act to harm or alter the neighborhoods within which they are located.

17.56.190 (6.26).D

Application Requirements.

1. Initial Application.

Each VDU must procure a VDU License. Existing VDUs must obtain a VDU License within 3 months of the adoption of this ordinance. A VDU License issued pursuant to this Section shall also serve as a business license for rental activity pursuant to Chapter 5.04 of the Trinidad Municipal Code. The VDU License shall identify the existence of a VDU at a particular address and declare the number of bedrooms in the VDU and its intended maximum occupancy.

A site plan and floor plan must be submitted along with the VDU License application so the City can verify the number of bedrooms, off-street parking spaces, and other requirements. The site plan and floor plan do not have to be professionally prepared, but must be to scale and include enough information to verify compliance. A sample rental agreement that addresses the requirements of this Chapter shall also be provided.

Each application for a VDU License shall be accompanied with proof of a general liability insurance in the amount of one million dollars combined single limit and an executed agreement to indemnify,

defend and hold the city harmless from any and all claims and liability of any kind whatsoever resulting from or arising out of the registration of a VDU.

An initial VDU License Fee, as set by resolution of the City Council, will be charged for the first year of each VDU's operation.

The City will notify all property owners within 100 feet of a VDU property of the VDU License within 7 days of its issuance or re-issuance. This notice may be combined with the required 24-hour emergency contact phone number notice required in subsection 3.b below.

Upon initial application for a VDU License, the City shall provide all VDU licensees with copies of informational materials identifying protective measures for preventing and minimizing impacts to environmentally sensitive habitat areas, water resources, and septic systems from the vacation rental use of the residences. Such protective measures include, but not limited to: (1) avoiding human encroachment into environmentally sensitive habitat areas; (2) directing or screening exterior lighting from illuminating riparian corridor areas; and (3) best management practices for the proper handling and disposal of trash and chlorinated water from hot tubs, swimming pools, and other spa facilities.

2. VDU License Renewals.

The fee for annual renewals for subsequent years shall be set by resolution of the City Council. Any changes to the site plan, floor plan, allowable occupancy, or rental agreement shall be submitted along with the license renewal.

3. Contact Information.

a. Local Contact Person.

Each VDU must designate a local contact person on the VDU License form. That person may be either the owner or the property manager, and that person must live within 25 miles of Trinidad so that he/she can respond personally to an emergency.

b. 24-Hour Emergency Contact Phone Number.

A 24-hour emergency contact phone number is required for each VDU. The 24-hour emergency contact phone number shall be prominently placed for the occupants' use inside the VDU. Any change to the emergency contact number shall be promptly provided to the Trinidad City Clerk and posted within the VDU.

The emergency contact phone number will be forwarded by the City Clerk to the Trinidad Police Department, the County Sheriff's Office, the Trinidad Volunteer Fire Department, and to each neighbor within 100 feet of the VDU within 7 days after the issuance or reissuance of a VDU License for the VDU.

The emergency contact information sent to neighbors may include further instructions in the case that a response from the 24-hour emergency contact number is not forthcoming. If there is an emergency or complaint, and the emergency contact person does not respond within a reasonable period of time, concerned persons will be encouraged to report the emergency through the 911 emergency calling system or the Police or Sheriff's Department. It is unlawful to make a false report or complaint regarding activities associated with a VDU.

17.56.190 (6.26).E

Effect on Existing Vacation Dwelling Units.

Each individual operating a VDU existing at the time the VDU Ordinance is adopted, including those currently holding a valid Trinidad Business License, shall be subject to the requirements of this Section of the Zoning Ordinance upon its adoption. The owner of an existing VDU which does not meet the requirements of this Section will not be issued a VDU License and shall not use the VDU structure for VDU purposes.

17.56.190 (6.26).F

Location.

VDU's are permitted only in Special Environment, Suburban Residential, Urban Residential, and Planned Development zoning districts. VDUs are also permitted in a legally established Accessory Dwelling Unit subject to meeting the requirements of this Section. Each separate VDU must obtain its own, individual VDU License. There shall be no more than one VDU per parcel.

17.56.190 (6.26).G

Non-Permitted Uses.

There shall be no permitted use of the VDU structure other than occupancy for dwelling, lodging, or sleeping purposes. Use for commercial events or events which are not hosted by the VDU's property owner are not permitted.

17.56.190 (6.26).H

VDU Standards

All VDUs will be required to meet the following standards:

1. Number of Occupants.

The maximum number of occupants allowed in a VDU shall not exceed two persons per bedroom plus an additional two persons (e.g., a two-bedroom VDU may have six occupants). Except that in the Suburban Residential Zone, if the VDU has a total floor area that exceeds 800 square feet per bedroom, then for each additional 500 square feet of floor area above this total, one additional occupant may be allowed, up to a maximum of two additional occupants. Where it can be determined based on the Humboldt County Division of Environmental Health permit or file information or an actual inspection of the system, the number of bedrooms will be based on the design capacity of the septic system.

2. Off-Street Parking.

A VDU must provide at least one off-street parking space for every two occupants allowed in the VDU pursuant to Section 17.56.190 (6.26).H.1. The off-street parking space/s shall be entirely on the VDU property. VDU owner/operators shall not use public right-of-way (street) spaces to meet their required off-street parking needs. Off-street parking spaces will not be located on the septic system unless it is designed and rated for traffic in a manner that will not compromise the functioning of the septic system.

VDUs that have been in existence for a minimum of two years that can not feasibly comply with the parking requirements may apply for an administrative exception. Exception requests shall be made through the City Clerk and shall provide documentation (e.g. receipts or rental contracts) showing both that the VDU has been in active operation for a minimum of two years and the maximum rental occupancy over that period. The request shall include a detailed site plan and justification as to why the required parking spaces can not be accommodated on the site, as well as note where alternative parking is utilized. The City Planner shall only grant an exception to accommodate the documented maximum occupancy over the past two years. The City Planner may deny an exception request or approve the exception for fewer parking spaces than requested if the exception would be detrimental to the public health and safety.

3. Water Use.

To prevent overloading of septic systems, each VDU shall be operated in a manner to ensure that the occupancy and use of a VDU shall not result in annual domestic water use greater than that associated with the non-VDU use of the residence based on an average daily consumption of 150 gallons per bedroom (7,324 cubic feet per year per bedroom) with a 30% allowance for landscaping above the design flow.

Where it can be determined based on the Humboldt County Division of Environmental Health permit or file information or an actual inspection of the system, the number of bedrooms will be based on the design of the septic system. Annual water use records will be kept on file along with the VDU License and application materials to allow for verification that the VDU water use did not exceed allowable volumes as described above.

If the City determines that the VDU use has exceeded the appropriate average annual water usage, as described above, during the preceding year, the VDU owner/operator shall take constructive measures to reduce water use. Adaptive measures include, but are not limited to: (a) installing water conservation fixtures and appliances; (b) planting xerophytic landscaping; and/or (c) reducing the maximum occupancy of the VDU.

4. Septic System.

Each VDU's owner or property manager must provide proof that the septic system for the structure in which the VDU is located is functioning properly and in conformance with all federal, state, and local regulations. Information on the appropriate use of a septic system, in a form approved by the City, shall be posted in each bathroom in the VDU and the kitchen.

5. Appearance and Visibility.

The outside appearance of the VDU structure shall not change the residential character of the structure by the use of colors, materials, lighting, or signage (except as allowed by Section 17.56.160 (6.16)). The VDU shall not create any noise, glare, flashing lights, vibrations, or odors that are not commonly experienced in residential areas or that would unreasonably interfere with the quiet use and enjoyment of any other residence or business in the area.

6. Signs.

A single sign, legible from the property's street frontage, and no greater than 3 square feet in size may be attached to the VDU structure or placed immediately adjacent to the front of the VDU structure. The purpose of the sign is to notify the public that the structure is or contains a VDU. The sign must provide a 24-hour emergency telephone contact number for complaints, and a business telephone number for persons seeking information on the VDU. The signage shall comply with all applicable standards of the Zoning Ordinance's sign regulations.

7. Trash.

Trash and refuse shall not be left stored within public view, except in proper containers for the purposes of collection. There shall be no accumulation or storage of trash and / or debris on the site or within the VDU.

8. Visitors.

The number of visitors to a VDU shall be limited to not more than 20 persons, including occupants, per parcel at any time. If there is more than one VDU on a property, the 20 person maximum applies to the property, not each VDU. Visitors are not allowed to stay overnight on the premises.

9. Noise.

Occupants of VDU properties and visitors shall not generate noise such that it would unreasonably interfere with the quiet use and enjoyment of any other residence or business in the area. Any noise occurring after 10:00 pm and before 8:00 am should be contained within the VDU and shall not be able to be heard by or offend any adjacent neighbors. What is reasonable in terms of noise generated shall be determined under existing legal standards applicable to evaluating alleged nuisances.

10. Traffic.

Vehicles used and traffic generated by the VDU shall not exceed normal residential levels or unreasonably interfere with the quiet use and enjoyment of any other residences or businesses in the area. What is reasonable in terms of traffic generated shall be determined under existing legal standards applicable to evaluating alleged nuisances.

11. Tenancy.

The rental of a VDU shall not be for less than two successive nights.

12. Good Neighbor Brochure.

Prior to occupancy pursuant to each separate occasion of rental of a VDU, the owner or the owner's agent shall provide a copy of the Good Neighbor Brochure to the occupants and / or shall post the Good Neighbor Brochure in a clearly visible location within the VDU.

13. Emergency Preparedness.

Information regarding local hazards, such as earthquakes and ocean related hazards, in a form approved by the City, shall be posted within the vacation rental in an easily seen location, such as the entry or kitchen area. In particular, information regarding regular testing of the tsunami siren, the Volunteer Fire Department siren and real emergencies shall be included.

17.56.190 (6.26).I Tourist Occupancy Tax.

The letting, leasing, or other contractual use of a VDU is subject to a Tourist Occupancy Tax ("TOT") and any other mandated taxes. Each VDU owner and/or manager shall meet all of the requirements of the City with respect to registration of TOT collectors, and the collection, recordkeeping, reporting and remittances of applicable TOT.

17.56.190 (6.26).J Audit

Each owner and agent or representative of any owner shall provide access to each VDU and any records related to the use and occupancy of the VDU to the City at any time during normal business hours, for the purpose of inspection or audit to determine that the objectives and conditions of this Section are being fulfilled.

17.56.190 (6.26).K Dispute Resolution.

By accepting a VDU License, VDU owners agree to engage in dispute resolution and act in good faith to resolve disputes with neighbors arising from the use of a dwelling as a VDU. Unless an alternative dispute resolution entity is agreed to by all parties involved, dispute resolution should be conducted through Humboldt Mediation Services.

17.56.190 (6.26).L Violations

1. Penalty

Violations of this Section are punishable as either infractions or misdemeanors, pursuant to the provisions of Section 17.76.050 (7.20) of the Zoning Ordinance. Each separate day in which a violation exists may be considered a separate violation. The City of Trinidad can also enforce these VDU regulations by way of nuisance abatement action. Enforcement by way of a nuisance action shall be discretionary and shall only occur upon a lawful vote of the Trinidad City Council to prosecute the matter as a civil nuisance action.

2. Revocation

If the VDU owner or property manager is deemed by City staff to be negligent in responding to an emergency situation more than two times in a 12-month period, or if more than two documented, significant violations occur in any 12-month period, the VDU License may be revoked. Documented, significant violations include, but are not limited to, copies of citations, written warnings, or other documentation filed by law enforcement. No revocation shall occur unless decided by a lawful majority vote of the Trinidad City Council and after written notice, served by first class mail, of at least 21 days was given to the owner of record and the local contact person as set forth in the VDU application. Revocation may be temporary or permanent depending on the nature and number of the violations.

3. It is unlawful to make a false report to law enforcement regarding activities associated with vacation rentals.

17.56.190 (6.26).M Ordinance Review

This ordinance shall be reviewed by the Planning Commission within two years after its certification, and periodically thereafter, to ensure that it is meeting the needs of the community.

ORDINANCE 2014-01, SECTION 2:

Append a new sub-section A.7 to Chapter 17.56, Section 17.56.160, Signs, (Article 6, Section 6.16, Signs) to read, in context, as follows:

- A. In all zones the following signs shall be permitted, provided that signs permitted in 2 and 3 below shall be subject to review by the design assistance committee:
1. A residential nameplate bearing the name of the occupant and not exceeding 2 square feet, provided that 3 square feet shall be permitted for a residence with a home occupation...
 2. Vacation Dwelling Unit identification signs, as allowed by Section 17.56.190 (6.26).H.5, provided that such signage is not placed in a public right-of-way, and does not rotate, blink, flash, sparkle, or obstruct the visibility of any traffic control sign.

ORDINANCE 2014-01, SECTION 3:

Append a new sub-section B.8 to Chapter 17.56, Section 17.56.180, Parking and Loading Facilities, (Article 6, Section 6.18, Parking and Loading Facilities) to read, in context, as follows:

Off-street parking and loading space shall be provided in all zones in conformity with the following:

- A. Each required parking space shall be not less than 8'6" wide, 18 feet long and 7 feet high, provided that where 6 or more spaces are required up to 50 percent of the spaces may be 16 feet long. Each loading space shall be not less than 10 feet wide, 25 feet long and 14 feet high.
- B. Parking spaces shall be provided as follows:
 1. Campground, RV park, motel: 2 spaces plus 1 space per unit.
 2. Single-family dwelling and mobile home on a lot: 2 spaces in addition to any garage spaces.
 3. Attached dwellings (duplex, townhouse): 1.5 spaces per unit...
 4. Vacation dwelling unit: A minimum of one off-street parking space per every two occupants allowed in the VDU unless an exception is granted pursuant to Section 17.56.190 (6.26).H.2

ORDINANCE 2012-01, SECTION 4:

This Ordinance shall take effect upon certification by the Coastal Commission.

Passed, approved, and adopted this 8th day of October, 2014 by the following roll call vote:

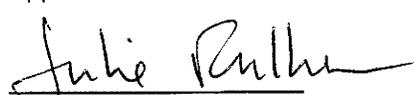
AYES: West, Miller, Fulkerson, Baker, Davies
 NOES: None
 ABSTAIN: None
 ABSENT: None

Attest:



Gabriel Adams
 City Clerk

Approved:



Julie Fulkerson
 Mayor

First Reading: **Wednesday, October 08, 2014**

Second Reading: **Wednesday, November 12, 2014**

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4402
(619) 767-2370

Attachment 2

**Tu 9c****Addendum**

May 6, 2016

To: Commissioners and Interested Persons

From: California Coastal Commission
San Diego Staff

Subject: Addendum to **Tu 9c, City of Encinitas Major Amendment No. 1-06 (Short Term Vacation Rentals)**, for the Commission Meeting of Tuesday, November 14, 2006

Staff recommends the following changes be made to the above-referenced staff report:

1. On Page 1 of the staff report, the second paragraph shall be revised as follows:

In February of 2006, Commission staff recommended denial of the proposed amendment; however, prior to the hearing, the City withdrew the LCP Amendment. In July 2006, the City adopted an ordinance that provides for the regulation of short-term vacation rentals in all residential zones which includes requirements for establishing and operating a short-term vacation rental and imposes fines and penalties for violation of the regulations. This ordinance is not being proposed for inclusion into the City's certified LCP, although as explained below, Commission staff is recommending that one section of the ordinance be its inclusion included as a suggested modification to the City's amendment request. After discussions with the City and consideration of the full range of potential scenarios to address vacation rentals in the Encinitas community, staff has determined the recommendation to deny this amendment as submitted is still appropriate, but is now proposing approval of the amendment request with suggested modifications to allow the ban on vacation rentals in all residential zones east of Highway 101, but not west of Highway 101. The prohibition of vacation rentals west of Highway 101 raises potential conflicts with the LUP policies that relate to promotion of public access and recreation. These same concerns do not generally apply to the residential zones east of Highway 101. In addition, ~~with the inclusion of the City's recently enacted ordinance regulating short-term vacation rentals into the LCP as a suggested modification to the City's submittal,~~ staff believes that the neighborhood nuisances resulting from short-term vacation rentals in the residential zones west of Highway 101 can be substantially regulated with the recently approved short-term vacation rental ordinance so as to assure the compatibility of vacation rentals in the residential neighborhoods.

2. On Page 6 of the staff report, Suggested Modification #2 shall be revised as follows (The single bold ~~strike-out~~ represents language to be deleted and the bold single underlined represents those sections to be added.):

30.34.100 Short-term Vacation Rentals Overlay Zone.

A. Intent. The intent of the Short-term Vacation Rental Overlay Zone is to prohibit new Short-term Vacation Rentals from occurring within all residential zones east of Highway 101 and to allow them to continue as a permitted use in all residential zones west of Highway 101.

B. Applicability. The Short-term Vacation Rental Overlay Zone regulations shall apply to all residential zoned properties identified on the City's Zoning Map. The Short-term Vacation Rental Overlay Zone shall be divided into two (2) subareas, A and B. Residential zones west of Highway 101 shall be identified as within Subarea A. Residential zones east of Highway 101 shall be identified as within Subarea B.

C. Existing Short-term Vacation Rentals in residential zones east of Highway 101 (Subarea B) will become legal nonconforming uses.

D. Special Regulations. All Short-term Vacation Rentals west of Highway 101 (Subarea A) and any legal non-conforming Short-term Vacation Rentals east of Highway 101 (Subarea B) shall conform to the requirements of ~~Chapter Section 9.38.40(B)4~~ of the Municipal Code, **as modified below:**

The property owner shall limit the number of vehicles of overnight occupants to the number designated in the permit which shall not exceed the number of designated on-site parking spaces. All designated on-site parking spaces shall be made available for the vehicles of occupants. Any revision to this provision would require review through a local coastal program amendment.

E. The North Highway 101 Corridor Precise Plan, the Downtown Encinitas Specific Plan and the Encinitas Ranch Specific Plan shall be modified to incorporate the requirements of Section 30.34.100.

3. On Page 6 of the staff report, Suggested Modification #3 shall be deleted as follows (The single bold ~~strike-out~~ represents language to be deleted):

~~**3. Chapter 9.38 REGULATING SHORT-TERM RENTALS shall be incorporated into the certified local coastal program.**~~

~~**(Reference Exhibit #5 for complete text of proposed regulations)**~~

4. On Page 13 of the staff report, the last sentence shall be revised as follows:

Finally, as revised by proposed modification ~~#3~~ 2, the proposed amendment will be revised to include Section 9.38.40(B)4, as modified herein, from the recently City approved Short-term Rental Regulations (Chapter 9.38 of the Municipal Code; attached as Exhibit #5) that establishes restricts the number of overnight occupants' vehicles so as to not exceed the number of available onsite parking spaces. ~~procedures for maintaining or establishing a short-term vacation rental, affords a mechanism for neighbors to report problems and sets up a series of fines and penalties for violation of the regulations.~~

5. On Page 16 of the staff report, the first complete paragraph shall be revised as follows:

Although the use of short-term vacation rental in the nearshore area west of Highway 101 is essential for the promotion of public access to the City's major visitor destination beaches, it is recognized that short-term vacation rentals may result in conflicts, such as has been identified by the City, if the use is not regulated. Therefore, regulations to police and monitor the use are appropriate, essential and preferable to an outright ban of short-term vacation rentals west of Highway 101. Recently the City enacted an ordinance (Section 9.38) which seeks to regulate the operation of short-term vacation rentals. ~~Staff is recommending that this ordinance be incorporated into the LCP.~~ The ordinance generally establishes a procedure for applying for a short-term vacation rental, limits the occupancy of the units, limits the number of automobiles, requires an available 24-hour telephone number to register complaints about any nuisance and sets up fines and penalties for violation of the regulations. Ultimately, if violations are not resolved or are excessive, the use of the residence as a short-term vacation rental can be eliminated. The City has not requested these regulations be made a part of the Local Coastal Program because the new ordinance may be subject to repeated changes or refinements to assure the regulations can be effectively enforced. Since these regulations relate primarily to nuisance control, will not result in the prohibition of short-term vacation rentals and do not conflict with the requirement of the LCP to promote access, these regulations in their entirety do not need to be part of the LCP. However, to assure that existing public access in the form of public street parking is protected, one requirement of these regulations should be included in the LCP. Suggested Modification #2 identifies that Section 9.38.40(B)4 which limits the number of vehicles of short-term vacation renters to the number of available spaces onsite be included as part of the City's Implementation Plan. As part of the LCP, this requirement will assure that the number of short-term vacation renters' vehicles will be limited to the number of onsite spaces so that they will not usurp public street parking. In addition, because it is included as part of the City's LCP, this requirement cannot be changed without review of a LCP Amendment. The City's Short-term Rental Regulations should be incorporated into the LCP to ensure that future changes to the Regulations that might have the effect of discouraging or prohibiting short-term rentals are subject to Coastal Commission review.

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4402
(619) 767-2370

Attachment 3



Thu 16a

Addendum

November 4, 2002

To: Commissioners and Interested Persons

From: California Coastal Commission
San Diego Staff

Subject: Addendum to **Item 16a, Local Coastal Program Amendment 1-02A (Short Term Rentals Revised Findings)**, for the Commission Meeting of November 7, 2002.

Staff recommends the following changes be made to the above-referenced staff report:

The third complete paragraph on page 10, just before the CEQA findings, shall be corrected as follows, to clarify the standard of review for Implementation Plan amendments:

If the City proposed a more narrowly crafted amendment that prohibited residential rentals in low-density areas that are removed from the beach and where short-term rentals have not historically occurred, or perhaps placed an upper limit on the number or percentage of vacation rentals in residential areas, the impact to low-cost visitor-serving accommodations would be limited and perhaps could be found consistent with the LUP. However, as proposed, the prohibition on short-term rentals would have a significant adverse impact on visitors and would set an adverse precedent for balancing the needs of residents and visitors. ~~Therefore, as proposed, the amendment cannot be found in conformance with and adequate to carry out, the certified land use plan, and is inconsistent with especially in light of the public access and recreation policies of the Coastal Act which the LUP policies are intended to carry out. and~~ The amendment, therefore, must be denied.

Short-term Vacation Rental Ordinance

Housing & Economic Development Committee

By: Kathleen Mallory, Planning & Environmental Services Manager

February 26, 2019

Purpose of Committee Meeting

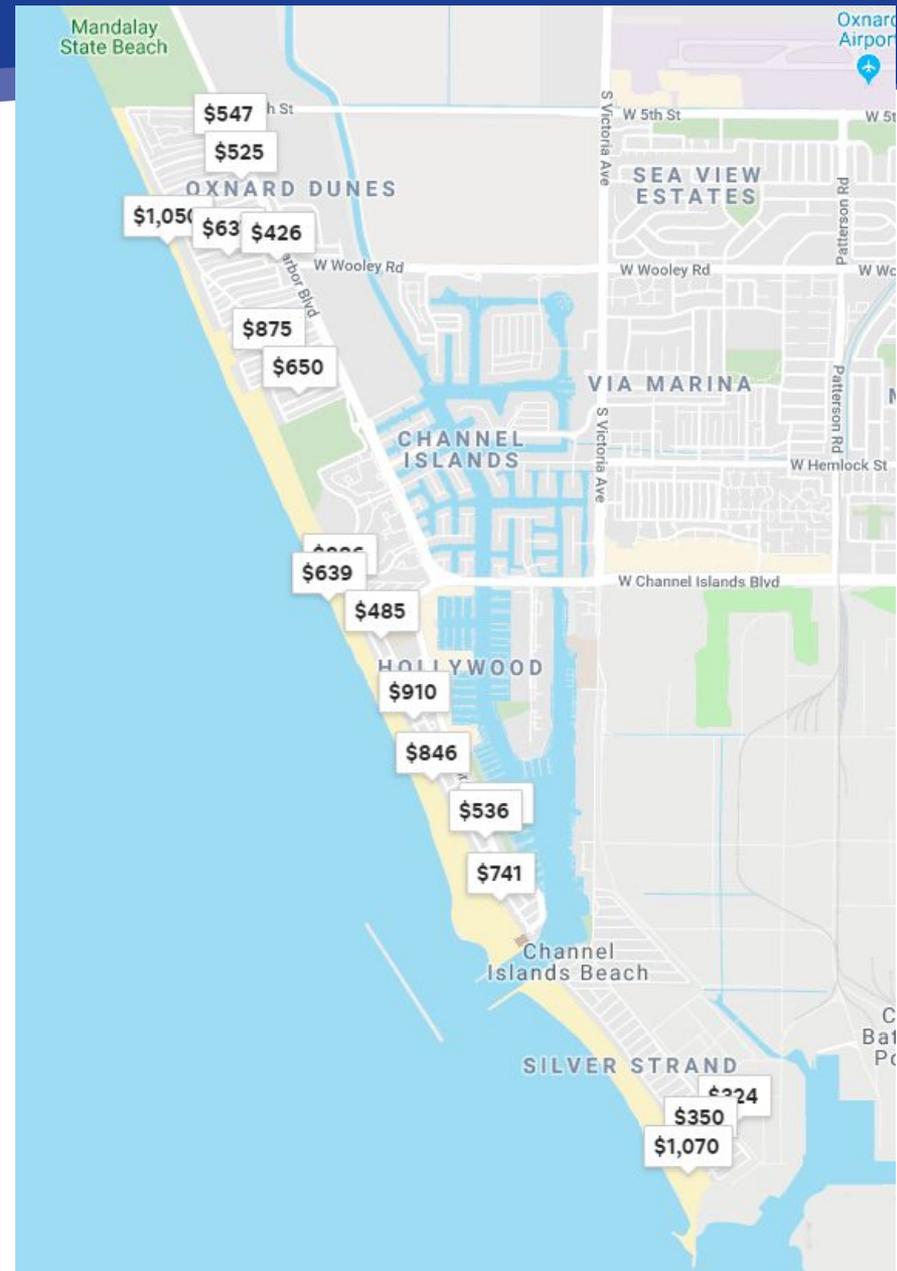
- Receive a presentation on prior work efforts regarding regulation of STRs
- Receive public and Committee input on this topic
- Provide feedback to five specific questions which will help shape STR policy
- Input will be summarized, posted on our STR website, and transmitted to the City Council at a future meeting

Background

- March 16, 2016 - Online Community Survey
- August 16, 2016 - Community Workshop
- November 3, 2016 - Planning Commission Study Session
- June 1, 2017 - Planning Commission Study Session II
 1. Should there be a minimum distance between STRs; and if so, what should the distance be?
 2. What should be the minimum rental duration of an STR?
 3. Should there be a maximum number of nights that an STR is rented per year? And if so, what should the maximum be?
 4. Should the City require or allow homestays?
 5. What is a reasonable daytime visitor limit and parking based occupancy limit?

STRs in Oxnard

- Not specifically indicated as an allowed use in residential zones but they have occurred in Oxnard for years.
- Seen as both a contribution to and impact on the community.
- Increasing number of STRs in Oxnard showing up on hosting platforms.



STRs in Oxnard

Prices

Average Price of Airbnb rentals in Oxnard, California is \$349 per night. 76 rentals are cheaper than \$50 per night. 128 rentals are between \$50-\$100 per night. 424 rentals cost more than \$100 per night.



Market Size

As of February 2019, Oxnard has 1264 active Airbnb rentals. 764 of these active listings are instant-book.

- 386 home/apartment rentals.
- 148 bedroom rentals.
- 62 other rentals.
- 8 studio rentals.

Ratings

820 Airbnb rentals in Oxnard have been reviewed: 56% of Airbnb rentals in Oxnard are rated excellent, 3% are rated good



From AllTheRooms - Accessed February 5, 2019 at 1:00 p.m.
<https://www.alltherooms.com/p/airbnb/usa/california/oxnard>

Coastal Commission Update

- Local Coastal Program (LCP) to address STR's
- California Coastal Commission (CCC) must approve any changes to the LCP
- For cities with new STR regulations, the CCC has not allowed banning or strict limitations on STRs within the coastal zone
- Del Mar currently in litigation with CCC
 - Del Mar updated LCP to include 7-day minimum rental and 90 days maximum per year.
 - CCC wants changes that include 3-day minimum rental and 180 days maximum per year.
 - Del Mar has 355 hotel rooms
 - Oxnard has 599 within ½ mile of the beach

Financial Implications

- January 15, 2019 - City Council adopted the resolution to establish an Oxnard Tourism Marketing District (OTMD) to promote tourism in Oxnard.
- STRs and hosting platforms could be required to have business licenses
- Issues related to STRs could result in more service calls for Police and Code Enforcement. These costs would need to be evaluated.

Community Consensus:

- Community found consensus:
 - If STRs will be allowed within the City, they should be regulated – permit system
 - STRs pay TOT (if an amendment to the TOT ordinance is approved by a vote of the people in 2020).
 - Regulations should limit visitors to an STR
 - This can be achieved through occupancy limit(s) and/or parking limit(s)
 - If STRs are to be allowed, regulations should not vary by season

Committee Direction Requested on Five Questions

Committee Direction Requested:

1. What should be the minimum rental duration of an STR?
2. Should there be a maximum number of nights that an STR is rented per year? And if so, what should the maximum be?
3. Should the City require or allow homestays?
4. Should there be a minimum distance between STRs; and if so, what should the distance be?
5. What is a reasonable daytime visitor limit and parking based occupancy limit?

Committee Direction Requested:

1. What should be the minimum rental duration of an STR?

- CCC has not approved a requirement for a rental duration greater than seven nights (want a rental duration as low as 3 nights in Del Mar).
- Community has been asked this question twice, but there has been no clear consensus.

Committee Direction Requested:

2. Should there be a maximum number of nights that an STR is rented per year? And if so, what should the maximum be?

- Limits the total number of days a unit may be rented for a period of less than 30 consecutive days. This addresses community concern that STR operators have little connection to the neighborhood and are unresponsive to impact of STRs on neighbors.
- Once the maximum limit is met a property may be used as a long term rental or used by the property owner.

Committee Direction Requested:

3. Should the City require or allow homestays?

- When a property owner and/or a long-term tenant remains on the property while a portion of the housing unit is being rented; often a single room.
- Does not allow for rental of different rooms to separate tenants.
- Does not allow for construction of additional kitchens; all facilities are shared between the long-term and short-term tenant.

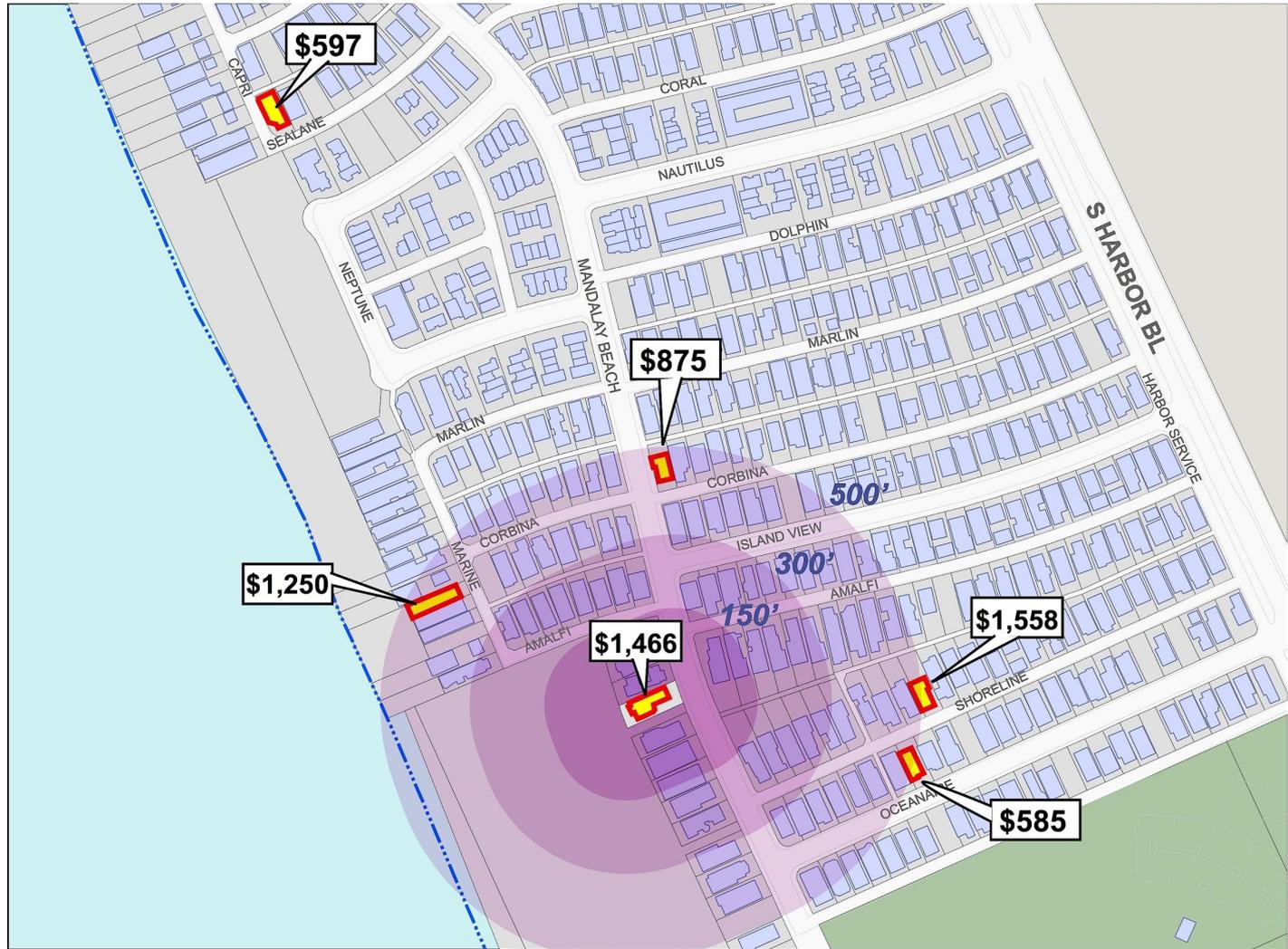
Committee Direction Requested:

4. Should there be a minimum distance between STRs; and if so, what should the distance be?

- At the community meeting, 51.6% supported a 400 foot minimum distance between STRs.
- Separation requirements are currently used to avoid overconcentration of large-family daycare centers.
- Implementation issues; deciding which existing STR gets priority if two or more are too close. If / when permits expire do the radii reset?

Committee Direction Requested:

Implications
of a
Separation
Requirement



Committee Direction Requested:

5. What is a reasonable daytime visitor limit and parking based occupancy limit?

- Common in many Cities with ordinances: 2 people per bedroom + 2 additional, sometimes with maximum number for overnight tenants.
- Daytime visitors are also limited to a maximum number or to the number of cars that can be parked on-site.
- Parking limitations are often to what can be accommodated on-site, no off-site parking is allowed.

Best Practice Recommendations

Best Practices by Question

- STRs to be rented between 3-7 nights.
- Permit only issued to owner of property & property owner can only have one permit.
- Rental duration per year, no less than 180 days (Del Mar legal issues).
- Allow homestays, but do not require homestays.
- No minimum distance separation elsewhere; not a common practice.
- Establish parking based occupancy limits; TBD in ord.

Best Practice Recommendations, cont.

General Best Practices

- Restrict event activities in STR's (no wedding, parties, etc.)
- Utilize third party compliance company to ensure compliance with all regulations and enforcement.
- Advertisements must include the City permit number.
- Occupancy limits should be set at 2 people plus 2 additional people for each bedroom (overnight limit).
- Responsible caretaker must respond to complaints within 30 minutes of the complaint being logged and transmitted to the caretaker.

Best Practice Recommendations, cont.

General Best Practices

- Trash cannot be left in public view, except in containers for collection between certain hours.
- STR must have a nuisance response plan approved by the City.
- Operating restrictions prominently posted inside STR while rented. Post good neighbor policy/outside of STR.
- Residents and property owners in the area of a STR must be notified and provided with caretaker's contact information.

Conclusion:

- Receive specific Committee direction and comments on five specific questions
- Assist in providing direction to address this topic
- Anticipated at the March 19, 2019 City Council meeting or possibly a special meeting, dated to be determined

End of Presentation

Committee Direction Requested:

1. What should be the minimum rental duration of an STR?
2. Should there be a maximum number of nights that an STR is rented per year? And if so, what should the maximum be?
3. Should the City require or allow homestays?
4. Should there be a minimum distance between STRs; and if so, what should the distance be?
5. What is a reasonable daytime visitor limit and parking based occupancy limit?