

**CITY OF DANA POINT
PLANNING COMMISSION
WORKSHOP REPORT**

DATE: FEBRUARY 22, 2021

TO: DANA POINT PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT
BRENDA WISNESKI, COMMUNITY DEVELOPMENT DIRECTOR
JEFF ROSALER, COMMUNITY DEVELOPMENT MANAGER
JOHN CIAMPA, SENIOR PLANNER

SUBJECT: WORKSHOP REGARDING ENHANCED REGULATIONS AFFECTING
SHORT-TERM RENTALS

RECOMMENDATION: Review, receive public comment, and provide direction related to enhanced regulations affecting Short-Term Rentals

APPLICANT: City of Dana Point

BACKGROUND:

On July 21, 2020, the City Council was presented with the results of the March 2020 survey and a suggestion from the California Coastal Commission to consider developing a short-term rental (STR) Pilot Program. The City Council directed staff and the Planning Commission to move forward with public outreach for the development of new and enhanced regulations and to consider an STR Pilot Program.

On September 28, 2020, the Planning Commission was presented with the history of the City's efforts to regulate STRs, current STR regulations, enforcement statistics, and details related to the active STR permits operating throughout the City (Supporting Document 1). To guide the public outreach process, the Planning Commission formed an STR Subcommittee with the appointments of Commissioners Dohner and Nelson. The Planning Commission directed the Subcommittee to conduct public outreach to identify enhanced regulations for existing STRs and the development of an STR Pilot Program.

The Subcommittee developed a two-phased approach. Phase one, which is the subject of this workshop, evaluates existing STR regulations and identifies potential new and enhanced regulations that are enforceable, address community concerns, and address compatibility issues in the community. The second phase will develop an STR Pilot Program that considers allowing permits for all three types of STRs (rental of a homeowners' primary residence, rental of a non-primary residence, and home stay – rental of a portion of the home).

Since the September 28, 2020 Planning Commission meeting, the Subcommittee and staff have met on several occasions to develop a public outreach program, researched other City's STR regulations, developed informational flyers, updated the City's STR webpage and subpages, and conducted STR stakeholder meetings.

DISCUSSION:

Stakeholder Meetings and Recommendations

As part of the public outreach process, the Subcommittee utilized the City's STR "interested parties" list to form four stakeholder groups to participate in discussions about potential STR regulations. The four stakeholder groups included STR permit holders, STR management companies, neighbors of STRs, and community groups. During the week of January 18, 2021, the Subcommittee hosted Zoom meetings with each stakeholder group to obtain their comments. The meeting minutes are included as Supporting Document 2, and the recordings can be viewed on the City's STR webpage.

At the stakeholder meetings, the Subcommittee and staff provided the history of the City's efforts to establish an STR ordinance, statistics on STR operations and enforcement, and presented possible enhanced regulations to address key community concerns related to parking, noise, and trash. The stakeholder groups provided feedback on potential enhanced regulations and identified additional regulations to be considered. Following the meetings, the Subcommittee reviewed the stakeholder comments and provided recommendations for enhanced regulations and best management practices to be considered by the public and the Planning Commission. A comprehensive list of the comments and recommendations is provided as Supporting Document 3. The recommendations supported by the Subcommittee include the following:

- Extend Code Enforcement hours during peak seasons to address issues
- Increase fines
- Include long-term renters and hotels as stakeholder groups and ensure vast public outreach to all residents
- Require guests to sign an acknowledgment of good neighbor rules
- Require guests park in the driveway or garage
- Increase the minimum renter age to 25
- Make emergency contact information available to neighbors to address issues on-site
- Owners/managers should respond to complaints on-site and within 20 minutes of a complaint
- Require the STR permit number on all advertising
- Consider additional methods to track and collect transient occupancy taxes
- Post regulations inside all STR units

The Subcommittee has not formulated recommendations related to the following topics, but seeks Planning Commission discussion:

- What enhanced regulations should be imposed related to excessive noise?
 - Consider prohibiting noise between the hours of 10:00 p.m. and 9:00 a.m.
 - Consider restricting any amplified noise that can be heard at the property line
 - Establish a maximum decibel level to establish a threshold for noise complaints
 - Consider requiring the installation of noise monitors after a first noise violation
- The property manager/owner should arrive at the unit within 20 minutes of a complaint to address an issue
- Some violations should not bereset annually
- Consider walkup trash service by CR&R

Staff and the Subcommittee request the Planning Commission consider the information provided and public comments to identify enhanced or new STR regulations that should be incorporated into the STR Business Regulations Section of the Municipal Code.

NEXT STEPS

1. Draft STR Business Regulations, Municipal Code Section 5.38, based on Planning Commission direction.
2. Planning Commission to consider forwarding draft regulations to City Council for adoption (tentative March 22, 2021).
3. Subcommittee to kick-off Phase 2, continuation of stakeholder meetings, public outreach, Planning Commission briefings.

NOTIFICATION/FOLLOW-UP:

Interested parties requesting to be notified were provided advanced notice of the Planning Commission's Public Workshop. The City also placed an advertisement in the Dana Point Times, published a corresponding article, and posted the notice of the workshop on the City's website and social media.

SUPPORTING DOCUMENTS:

1. September 28, 2020, Planning Commission Public Workshop Report
2. Minutes from Stakeholder Meetings
3. Stakeholder Comments and Subcommittee Recommendation Summary
4. Municipal Code Section 5.38 Short Term Rental Business Regulations

SUPPORTING DOCUMENT 1: September 28, 2020, Planning Commission Public Workshop Report

**CITY OF DANA POINT
PLANNING COMMISSION
WORKSHOP REPORT**

DATE: SEPTEMBER 28, 2020

TO: DANA POINT PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT
BRENDA WISNESKI, COMMUNITY DEVELOPMENT DIRECTOR
JOHN CIAMPA, SENIOR PLANNER
JEFF ROSALER, COMMUNITY DEVELOPMENT MANAGER

SUBJECT: PLANNING COMMISSION WORKSHOP ON THE DEVELOPMENT OF A
SHORT-TERM RENTAL PILOT PROGRAM & ENHANCED
REGULATIONS

RECOMMENDATION: That the Planning Commission:

- 1) conduct the initial workshop to discuss: the existing Short Term Rental program, additional best management practices and enhanced regulations for the development of a Short-Term Rental Pilot Program, and
- 2) consider establishing a Planning Commission Subcommittee to assist in development of the Pilot Program and obtaining stakeholder input.

APPLICANT: City of Dana Point

BACKGROUND:

Short-Term Rentals (STR) have historically been part of Dana Point and many other coastal communities. The increased popularity of STRs due to the growth of online platforms resulted in the need to establish regulations to ensure they are compatible in residential neighborhoods. After a decade long effort to establish an STR ordinance that both complies with California Coastal Commission (CCC) requirements and establishes STR standards to address community concerns, Dana Point approved a STR ordinance in 2016. Subsequent to the ordinance approval, a referendum petition was filed, and, as a result, the City Council rescinded the ordinance and decided to allow permitted STRs to continue operating until an alternative ordinance is adopted.

Existing Short-Term Rental Permits

Short Term Rental permits were issued starting in 2016, prior to the City Council rescinding the ordinance. Existing permits have been allowed to renew annually since that time. As

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of September 2020, there are 147 active STR permits. In 2019, 142 permits generated \$757,000 of Transient Occupancy Tax (TOT) (five permit holders did not collect TOT in 2019).

Primary Residency of Existing STR Permit Holders

- 30% of these STR permits have a primary residence in Dana Point
- 27% live permanently in Orange County
- 28% live in California outside of Orange County
- 15% are owners from outside of California
- 5% are considered homestays where they reside in the unit full-time.

Distribution of Existing STR Permits

Table 1 lists the percentage of STRs by voting district. Twenty-eight percent of STR permits are located on Beach Road, therefore there is a high concentration in District 5. Other common areas for STRs are in the Monarch Hills HOA (Corniche Drive in District 1) and Lantern Village (District 4).

Table 1
Percentage of current STR's by voting District

District	Percentage of Permits
1 – West; Corniche	20%
2 – North	3%
3 – Northeast	4%
4 – Lantern Village	31%
5 – Capo Beach & Beach Road	42%

Existing STR Regulations

The STR Business Regulations of the Municipal Code (Section 5.38) are utilized for the oversight and enforcement of the existing permitted STRs (Supporting Document 2). The Code requires that a permit be approved per the Community Development Director, and renewed annually. Key conditions of permit issuance include:

1. Proof of HOA compliance
2. Inspection by the City
3. Twenty-four hour emergency contact located within a 25 mile radius of the STR to respond to issues
4. Must have a minimum of two off-street parking spaces
5. may not be used for weddings, parties, bachelor/bachelorette parties, conferences or similar events
6. Advertising shall include STR permit number
7. Minimum two night stay
8. Maximum occupancy of two person per bedroom plus two additional persons

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9. Maximum of one vehicle per one bedroom unit or two vehicles maximum with two or more bedrooms
10. No exterior signs advertising STR
11. The owner, upon notification that the tenants have generated unreasonable noise or disturbance or conducted violations of the Municipal Code, shall take action to prevent recurrence of such conduct within 24 hours

Penalties for repeat violations include fines up to \$1,000 and potential permit revocation.

Existing STR Enforcement Efforts

STR permitting and operations are monitored and regulated by the City's Code Enforcement Division. Code Enforcement staff oversees the permitting, inspections, collection of TOT and annual renewal of permits. They also oversee complaints of both unpermitted STR's and nuisances at permitted STR's. The Code Enforcement Operations and Strategic Plan directs the Code Enforcement staff to address STR violations in the following manner:

"If the property does not have an STR permit, the property will be issued an NOV for advertising without a permit. If not abated, the property owner will receive an administrative citation. Host Compliance will also issue first NOV for properties they identify to be advertising without proper permits. Advertising can be verified through this website for any issues regarding STRs. A complaint line for STRs is also maintained by the third party vender and the Code Enforcement Officer in charge of STRs should check the complaint log at least once per day.

If complaints are received concerning STRs and it is determined the property has a valid City STR permit, the Code Officer will contact the owner to immediately to abate the violation. If the officer finds evidence of a violation of Section 5.38 the Code Enforcement Officer will issue an NOV or Citation, dependent on the severity and history of offenses at the property."

Additionally, Code Officers conduct weekly windshield inspections and after hour roving patrols occur during the peak summer season. Code Officers also coordinate with Police Services to share information and provide support in the field. After hour enforcement has improved communications with homeowner association security, such as specifically along Beach Road and in the Monarch Hills HOA on Corniche Drive.

In 2017, the City of Dana Point retained Host Compliance to monitor advertising platforms, such as AirBnB and VRBO, to identify unpermitted short term rentals and assist in enforcement. Host Compliance also sends automated Notice of Violation (NOV) letters on the City's behalf, once the properties have been identified and cleared with City staff.

Since the program inception in mid-2016:

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- 761 code cases have been initiated for violations of the Short Term Rental business regulations, 722 of those were for unpermitted STR. Most owners ceased operation after receiving a Notice of Violation. However, citations/fines were issued to 141 owners who continued to operate after receiving a NOV.
- Since 2016, 39 code cases have been opened for potential nuisance violations at permitted STRs. Nine citations have been issued for nuisance violations at a permitted STR.
- 900 windshield inspection reports have been conducted to determine if additional code issues are occurring at the permitted STR properties
- Over 300 inspection reports have been filed on weekday and weekend nights
- Since 2017, 176 calls were made to the 24 hour Hotline Call Service operated by Host Compliance
 - 29% of calls into the hotline are for unpermitted STR
 - 34% of calls are for potential nuisances at licensed STRs
 - 26% are for inquiries concerning STR permitting
 - 11% are general questions

Re-Evaluation of STR Ordinance

In 2018, the City Council formed a Subcommittee to re-evaluate STRs and guide the development of a new ordinance that addresses community concerns. The Subcommittee was comprised of Council Member Wyatt and previous Council Members Tomlinson (1st appointment), and the later Council Member Lewis (replacement). The Subcommittee researched STR ordinances for other coastal cities to consider appropriate regulations and best management practices for Dana Point. The Subcommittee also met with the CCC staff on several occasions to obtain feedback on STR regulations.

Two surveys were initiated to better understand the community's perspective on STRs. The first survey was conducted in June 2018 and received 658 responses from the public. The second survey was conducted in March 2020 by FM3 Research that interviewed 500 demographically diverse Dana Point registered voters.

The CCC staff is aware of the community's sensitivity to STRs and recommended the City develop a STR Pilot Program to address the coastal access requirements of the Coastal Act and allow the creation of regulations that balance STRs compatibility with the community. This Pilot Program would provide the City with the flexibility to establish and modify regulations outside of the City's Zoning Ordinance and tailor the requirements to be compatible with the community. CCCstaff encouraged the City to approve a a Coastal Development Permit (CDP) to operate the Pilot Program on a temporary basis.

On July 21, 2020, the City Council was presented with the results of the March 2020 survey and the CCCs recommendation to consider developing the STR Pilot Program. The City

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Council directed staff to move forward with public outreach and the development of a STR Pilot Program with input from the Planning Commission.

As described above, there have been multiple efforts over the years to formulate a STR program that meets the needs of the community. To assist in understanding the history of these efforts the following documents are attached:

- *Municipal Code Section 5.38 Short Term Rental Business Regulations* – the current regulations affecting STRs. The intent is to expand upon these regulations to include best management practices.
- *City Council Meeting Minutes, October 1, 2019* – Report submitted by Councilmember Jamey Federico. The City Council adopted the following policy objectives to be used in drafting any proposed STR ordinance:
 1. Maintain the character of our neighborhoods by not encouraging absentee corporate investment.
 2. Firmly protect against nuisances.
 3. Balance the rights and responsibilities of all residents and homeowners and honor HOA regulations.

In addition Council directed the Subcommittee to conduct public outreach and authorized the City Manager to conduct a statistically valid resident STR survey.

- *City Council Staff Report and Minutes November 19, 2019* – Report submitted by Mayor Pro Tem Wyatt requesting action to develop an ordinance, as recommended by the City Council Subcommittee. The staff report provides background, but no action was taken by the City Council.
- *City Council Staff Report and Minutes, July 21, 2020* – City Council review of STR survey results and consideration to direct staff to develop a Home Stay STR Program. The City Council ultimately directed staff to develop a Pilot Program to include all STR types.
- *March 2020 STR Survey Results* - A statistically valid survey (conducted by FM3 Research) reflecting the community's feedback on the different types of STRs, as well as their opinion on the currently operating STRs. The three types of STRs evaluated in the survey included home stay, primary residence, and non-primary residence.
- *June 2018 STR Survey Results* – The survey was developed by the Subcommittee to obtain input from Dana Point Community residents on key issues associated with STRs.
- *CCC Letter to City on STRs, dated December 6, 2016* – This letter details the Coastal Commission's perspective related to STR in 2016.

DISCUSSION:

Per City Council direction, the STR Pilot Program will be developed to include each STR type, including home stay, primary residence, and non-primary residence. Council also

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indicated a robust enforcement program shall be considered to address potential impacts to the community. The following outlines the tentative schedule for development of the Pilot Program and opportunities for public participation.

1. September 28, 2020 – 1st Planning Commission Workshop – Introduce STR Pilot Program options and explore regulation and enforcement concepts.
2. Fall 2020 – 2nd Planning Commission Workshop – Introduce draft STR Pilot Program, business regulations and enforcement program.
3. Winter 2020 – Planning Commission Public Hearing to consider the Coastal Development Permit (CDP) for the Pilot Program.

Pilot Program

Supporting Document 1 provides the framework for the Pilot Program and will be utilized as the basis for the Planning Commission's discussion. Components include: zoning, application submittal items, noticing, operational and management requirements, parking standards, occupancy, among other elements. Supporting Document 1 provides three distinct categories of recommendations:

1. "Pilot Program Recommendations" – The recommendations provide the basis for the STR Pilot Program and generally reflect comments from the City Council Subcommittee and city staff.
2. "For Consideration" – Following the Subcommittee's review, city staff conducted a review of other ordinances and identified additional provisions that may be considered for the Pilot Program.
3. "Other" – A list of other regulations implemented by other jurisdictions is also provided for discussion.

Staff is requesting feedback from the Planning Commission and the public. The comments received on the regulations and best management practices will be utilized to develop a draft Pilot Program, update the City's Municipal Code STR Business Regulations (Section 5.38), and evaluate the long term status of the existing STRs. The update to the Municipal Code would ensure consistency with the regulations of the active STRs and the Pilot Program.

NOTIFICATION/FOLLOW-UP:

Stakeholders requesting to be notified were provided advanced notice of the Planning Commission's Public Workshop. Notification of the meeting was also posted on the City's social media outlets.

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SUPPORTING DOCUMENTS:

1. STR Regulations and Best Management Practices Table
2. Municipal Code Section 5.38 Short Term Rental Business Regulations
3. City Council Meeting Report and Minutes, July 21, 2020
4. City Council Meeting Report and Minutes, November 19, 2019
5. City Council Meeting Report and Minutes, October 1, 2019
6. March 2020 STR Survey Results
7. 2018 STR Survey Results
8. CCC Letter to City on STRs, December 6, 2016

SUPPORTING DOCUMENT 2: Minutes from Stakeholder Meetings

2.1 Minutes from STR Neighbor Stakeholder Meeting

CITY OF DANA POINT
PLANNING DEPARTMENT
STR NEIGHBOR STAKEHOLDER ACTION MINUTES

Date: January 19, 2021
Time: 4:00 p.m. – 5:24 p.m.

City Hall
33282 Golden Lantern
Dana Point, CA 92629

CALL TO ORDER STR Neighbor Stakeholder Meeting

John Ciampa called the STR Neighbor Stakeholder meeting to order at 4:00 p.m.

ROLL CALL

Staff Present: Brenda Wisneski (Director of Community Development), Jeff Rosaler (Community Development Manager), Johnathan Ciampa (Senior Planner), Allison Peterson (Senior Administrative Assistant)

Subcommittee Members Present: Eric Nelson, Roy Dohner

STR Permit Holder's Present: Carol Kelly, Jill Fabricant, Kim Tarantino, Mark McGinn, Patricia Happy, Steve Didier, Thomas Miller, Buck Hill, Gregg Linn, Doug R., Jeff L., Wendi, and Cindy

ITEMS COVERED IN PRESENTATION

- 1. Introductions – Subcommittee Member Nelson**
- 2. Background – Community Development Director, Brenda Wisneski**
 - A. Recent history of STRs in Dana Point
- 3. Process for Updating STR Regulations and Developing a Pilot Program – Senior Planner John Ciampa**
 - A. Phase one – update regulations for the existing STRs
 - B. Phase two – develop an STR Pilot Program
- 4. STR Code Enforcement Statistics – Community Development Manager, Jeff Rosaler**
 - A. Review STR enforcement nuisance data
- 5. STR Regulations and Recommendations for Consideration (Phase One) – Senior Planner, John Ciampa and Subcommittee Members Dohner and Nelson**
 - A. Review current and modified regulations for parking
 - B. Review current and modified regulations for noise
 - C. Review current and modified regulations for trash
 - D. Other stakeholder comments to improve STR compatibility in the community
- 6. Questions and Answers – Subcommittee Member Nelson**

CITY OF DANA POINT
PLANNING DEPARTMENT

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7. Next Steps – Senior Planner, John Ciampa

Planning Commission public workshop February 22, 2021

MEETING COMMENTS

Jeff L. referenced a clear decline in leases and problems last year due to the pandemic. He believes that parking should be subject to that particular neighborhood and that duplexes, triplexes, and fourplexes should not be treated as separate homes in regards to parking. He also stated partying and alcohol use should strictly regulated.

Steve Didier expressed his desire to preserve community character by either not allowing STRs or heavily restricting them. He believes STRs should be solely within the coastal zone. Steve does not believe permits should carry over when a home sells, but that the permit carries with person.

Jill Fabricant recommended limiting STRs to only those with managers on site. She disagreed that permits should be limited to the coastal zone, and agreed that the permit should be attached to the person, not the property.

Gregg Linn requested statistics on pre-Covid violations. He mentioned that on-site management is key for regulation. Gregg believes the City should consider areas of density, such as condos, and limit STR permit availability to a small percentage. He suggested limiting the number of guests on-site to those only on the lease. Gregg believes most violations occur after normal business hours. He would like twenty-four hour coverage, seven days a week. Gregg also does not believe residents should be addressing problems themselves.

Thomas Miller would like more control over residents renting under the radar. He suggested ongoing code enforcement tracking that does not reset on a given permit each year with greater enforcement. Thomas said that residents are looking to the City to enforce regulation rather than community boards.

Eric Nelson suggested an attorney look at ordinance language on alcohol prohibition for further clarity.

Gregg Linn questioned how TOTs are being collected as well as the penalty for violation.

Jeff Rosaler confirmed that collection of TOTs are done in-house by a management analyst, but we need to look into more robust technology to track.

Eric Nelson explained that we have a mandate to provide some sort of affordable lodging and if the City does not make the determination, the Coastal Commission will do it.

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PLANNING DEPARTMENT

January 19, 2021 STR NEIGHBOR STAKEHOLDER ACTION MINUTES
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Jill Fabricant stated that it is income lost to the City if STRs are not allowed due to renters will going to other cities. She suggested there is some sort of tracking done on economic impact.

Steve Didier commented that the City should be enforcing City law rather than condominium management.

Buck Hill stated that the City should consider what is best for residents. He believes STRs are a disruption to residential communities. Buck also wanted to know how owners are being held responsible for accurately reporting when they lease as well as sending TOTs.

Jeff Rosaler confirmed that TOT collections are on the honor system, and we need to upgrade procedures.

Wendi mentioned she lives near three STR properties and believes they take away from the residential feel.

ADJOURNMENT

Eric Nelson adjourned the meeting at 5:24 pm.

2.2 Minutes from STR Permit Holder Stakeholder Meeting

**CITY OF DANA POINT
STR PERMIT HOLDER STAKEHOLDER ACTION MINUTES**

Date: January 18, 2021
Time: 4:00 p.m. – 5:30 p.m.

City Hall - Zoom
33282 Golden Lantern
Dana Point, CA 92629

CALL TO ORDER STR Permit Holder Stakeholder Meeting

John Ciampa called the STR Permit Holder Stakeholder meeting to order at 4:00 p.m.

ROLL CALL

Staff Present: Brenda Wisneski (Director of Community Development), Jeff Rosaler (Community Development Manager), Johnathan Ciampa (Senior Planner), Allison Peterson (Senior Administrative Assistant)

Subcommittee Members Present: Eric Nelson, Roy Dohner

STR Permit Holder's Present: William Gaita, Dana Somsel, George Ray, Tiffany Katuls, Deana Slocum, Nancy Warner, Jason Husky, and Jeff Stanford

ITEMS COVERED IN PRESENTATION

- 1. Introductions – Subcommittee Member Nelson**
- 2. Background – Community Development Director, Brenda Wisneski**
 - A. Recent history of STRs in Dana Point
- 3. Process for Updating STR Regulations and Developing a Pilot Program – Senior Planner John Ciampa**
 - A. Phase one – update regulations for the existing STRs
 - B. Phase two – develop an STR Pilot Program
- 4. STR Code Enforcement Statistics – Community Development Manager, Jeff Rosaler**
 - A. Review STR enforcement nuisance data
- 5. STR Regulations and Recommendations for Consideration (Phase One) – Senior Planner, John Ciampa and Subcommittee Members Dohner and Nelson**
 - A. Review current and modified regulations for parking
 - B. Review current and modified regulations for noise
 - C. Review current and modified regulations for trash
 - D. Other stakeholder comments to improve STR compatibility in the community
- 6. Questions and Answers – Subcommittee Member Nelson**
- 7. Next Steps – Senior Planner, John Ciampa**
 - A. Planning Commission public workshop February 22, 2021

CITY OF DANA POINT
PLANNING DEPARTMENT

January 18, 2021 STR PERMIT HOLDER STAKEHOLDER ACTION MINUTES
4:00 p.m. – 5:30 p.m.

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MEETING COMMENTS

Brenda Wisneski confirmed that the meeting is being recorded and details of meeting will be made available to attendees.

Dana Somsel requested STR parking remain as originally provided as some STR rentals do not have a driveway and need street space.

Deana Slocum commented that many homeowners do not have parking, so the concern is residents blaming STRs for the no parking issues.

Jeff Rosaler confirmed that there were not any complaints regarding parking in 2020.

William Gaita suggested the City provide hard data on parking concerns, with increased citations, in an effort to help with the perception of the parking dilemma.

Tiffany Katuls commented that regulation creates a better situation for everyone. She suggested the City offer a walk-up trash service at STR locations. She also suggested that if a STR has a garage or driveway, it must be used for parking. Tiffany also suggested a zero-noise policy.

Deana Slocum expressed concern about overregulation, specifically with noise, because houses are so close together. She asked if we do not have decibel number maximum, how can we guard against nefarious complaints?

Eric Nelson commented that we need to create framework for noise, but not such that it becomes a nuisance for City. He asked if anyone has noise monitors in units and wondered what the consensus is on that.

William Gaita suggested contacting monitor companies to get their data, and potentially have someone volunteer to test for 6 months and see what comes back.

Tiffany Katuls mentioned that she used a noise monitor in an STR elsewhere and the monitor had gotten many false warnings. She has since uninstalled, but is not opposed to their use.

Deana Slocum suggested minimum stay requirements and more enforcement to put residents at ease.

William Gaita wanted to point out that four citations had been written over twelve-month period. He felt the number was low, and questioned enforcement.

Deana Slocum mentioned the challenge to get in touch with enforcement when needed.

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PLANNING DEPARTMENT

January 18, 2021 STR PERMIT HOLDER STAKEHOLDER ACTION MINUTES
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Jeff Stanford commented that the City is tame, and the citations could be reflecting accurately.

Jeff Rosaler confirmed the Code Enforcement received twenty-eight nuisance complaints in 2020 and verified true problems at just two locations.

Deana Slocum requested increased communication from Code Enforcement and someone available at all times.

Tiffany Katuls suggested Code Enforcement on twenty-four hours a day with the ability to arrive at an STR residence within twenty minutes.

Jeff Rosaler confirmed the City's use of a twenty-four hour hotline and confirmed that Code Enforcement works normal business hours. He emphasized a call to the Sheriff's Department if there is a complaint outside of business hours. If the Sheriff writes a report, the report is given to Code Enforcement for further investigation. Jeff also mentioned Code Enforcement having worked additional evening hours during peak times and found it effective.

William Gaita suggested a standardized version or disclaimer on STR contracts for a maximum number of guests on site.

Tiffany Katuls suggested a minimum age requirement for STR renters determined by the City.

Deana Slocum wanted to know if there are different regulations for STRs where owner is host and lives on-site.

Brenda Wisneski confirmed the City does not have different regulations for host versus non-host STRs.

Eric Nelson took a poll of those on the call who self-manage their STR versus the use of a management company. All individual on the call confirmed self-management. The consensus was the owners want to meet STR tenants and be good ambassadors for the City.

George Ray, Jeff Stanford, Dana Slocum, and Tiffany Katuls all echoed that they have more control over short-term rentals as opposed to long-term rentals.

George Ray commented that noise issues transcend STRs.

Tiffany Katuls commented STR owners have incentive to keep their properties up.

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PLANNING DEPARTMENT

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4:00 p.m. – 5:30 p.m.

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Brenda Wisneski mentioned that the City website has been bolstered to contain raw data and resources in an effort to get accurate information out residents as well as provide the right tools to help the City do a better job of enforcement.

Eric Nelson thanked everyone for attending and encouraged attendees be involved as a collective voice from all different positions.

John Ciampa informed that all attendees are on an interested parties list and will be informed of future meetings.

Brenda Wisneski mentioned the timeframe for the STR pilot program will span over this next year.

ADJOURNMENT

John Ciampa adjourned the meeting at 5:30 p.m.

2.3 Minutes from STR Management Co. Meeting

CITY OF DANA POINT
PLANNING DEPARTMENT
STR MANAGEMENT CO. ACTION MINUTES

Date: January 20, 2021
Time: 2:03 p.m. – 3:09 p.m.

City Hall
33282 Golden Lantern
Dana Point, CA 92629

CALL TO ORDER STR Management Co. Meeting

John Ciampa called the STR Management Co. Meeting to order at 2:03 p.m.

ROLL CALL

Staff Present: Brenda Wisneski (Director of Community Development), Jeff Rosaler (Community Development Manager), Johnathan Ciampa (Senior Planner), Allison Peterson (Senior Administrative Assistant)

Subcommittee Members Present: Eric Nelson, Roy Dohner

STR Management Co. Members Present: Jeff Perry (Vacation Concierges), Chris Miller (Beach Road Realty), Miriam Rupke, and Cynthia Carol

ITEMS COVERED IN PRESENTATION

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- 2. Background – Community Development Director, Brenda Wisneski**
 - A. Recent history of STRs in Dana Point
- 3. Process for Updating STR Regulations and Developing a Pilot Program – Senior Planner John Ciampa**
 - A. Phase one – update regulations for the existing STRs
 - B. Phase two – develop an STR Pilot Program
- 4. STR Code Enforcement Statistics – Community Development Manager, Jeff Rosaler**
 - A. Review STR enforcement nuisance data
- 5. STR Regulations and Recommendations for Consideration (Phase One) – Senior Planner, John Ciampa and Subcommittee Members Dohner and Nelson**
 - A. Review current and modified regulations for parking
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- 6. Questions and Answers – Subcommittee Member Nelson**
- 7. Next Steps – Senior Planner, John Ciampa**

CITY OF DANA POINT
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STR MANAGEMENT CO. ACTION MINUTES

January 20, 2021
2:03 p.m. – 3:09 p.m.

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Planning Commission public workshop February 22, 2021

MEETING COMMENTS

Miriam Rupke suggested all renters should use rental contracts. She also suggested a minimum age requirement of twenty-five years to be established as a City ordinance. She cautioned against the instant book model on posting platforms to enable greater renter screening.

Jeff Perry suggested a minimum of a three or four night stay to eliminate the potential for parties. He also expressed that fines should be specific to guests as opposed to each site be fair to owners.

Chris Miller agreed with a minimum of three or four night stay.

Miriam Rupke disagreed with three or four night minimums. She reasoned that she wants to be able to accommodate business travelers and traveler profiles of the like. She also expressed that management should be responsible for proper screening of guests. Miriam suggested that all STR locations be required to be posted on the City website with a listed emergency contact, as well as signage required within the home containing City specific regulations. Miriam recommended partnering with Airbnb and VRBO to require the STR permit number be posted on each listing and not allowed to list unless the STR is registered with the City.

Jeff Perry mentioned that noise monitors have been faulty in his experience.

Chris Miller expressed the frustration of homeowners renting under the radar.

Jeff Perry suggested that there be a City provided list for STR permit holders to abide by universal policies.

Chris Miller expressed that the two car parking ordinance is not suitable for all rentals. He suggested that the parking spots are allotted in relation to size of home.

Jeff Perry mentioned that every condominium complex has their own parking restrictions. He suggested a caveat in the City ordinance to use available space on property or abide by rules that are established by the condominium's management.

ADJOURNMENT

Roy Dohner adjourned the meeting at 3:09 p.m.

2.4 Minutes from STR Community Group Stakeholder Meeting

CITY OF DANA POINT
PLANNING DEPARTMENT
STR COMMUNITY GROUP STAKEHOLDER ACTION MINUTES

Date: January 21, 2021
Time: 4:02 p.m. – 5:28 p.m.

City Hall
33282 Golden Lantern
Dana Point, CA 92629

CALL TO ORDER STR Community Group Stakeholder Meeting

John Ciampa called the STR Community Group Stakeholder Meeting to order at 4:02 p.m.

ROLL CALL

Staff Present: Brenda Wisneski (Director of Community Development), Jeff Rosaler (Community Development Manager), Johnathan Ciampa (Senior Planner), Allison Peterson (Senior Administrative Assistant)

Subcommittee Members Present: Eric Nelson, Roy Dohner

STR Community Group Stakeholders Present: Karen Morris, Toni Nelson, Barbara Wilson, Enzo Scognamiglio, Don Russell

ITEMS COVERED IN PRESENTATION

- 1. Introductions – Subcommittee Member Nelson**
- 2. Background – Community Development Director, Brenda Wisneski**
 - A. Recent history of STRs in Dana Point
- 3. Process for Updating STR Regulations and Developing a Pilot Program – Senior Planner John Ciampa**
 - A. Phase one – update regulations for the existing STRs
 - B. Phase two – develop an STR Pilot Program
- 4. STR Code Enforcement Statistics – Community Development Manager, Jeff Rosaler**
 - A. Review STR enforcement nuisance data
- 5. STR Regulations and Recommendations for Consideration (Phase One) – Senior Planner, John Ciampa and Subcommittee Members Dohner and Nelson**
 - A. Review current and modified regulations for parking
 - B. Review current and modified regulations for noise
 - C. Review current and modified regulations for trash
 - D. Other stakeholder comments to improve STR compatibility in the community
- 6. Questions and Answers – Subcommittee Member Nelson**

CITY OF DANA POINT
PLANNING DEPARTMENT

January 21, 2021 STR COMMUNITY GROUP STAKEHOLDER ACTION MINUTES
4:02 p.m. – 5:28 p.m.

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7. Next Steps – Senior Planner, John Ciampa

Planning Commission public workshop February 22, 2021

MEETING COMMENTS

Toni Nelson asked if inactive permits are permanently inactive and if they can be reinstated.

Brenda Wisneski confirmed that the smaller amount of STR permits than originally distributed is due to residents not renewing or losing permits due to home sale.

Toni Nelson commented on the large percentage of long-term renters in Dana Point. Her concern is long-term renters getting kicked out to turn properties into STRs. She feels that the City should be sure to inform the Hispanic communities and hotels, as they are heavily impacted.

Brenda Wisneski commented that social media, the newspaper, ambassadors, and open meetings will be made available to spread awareness as the program progresses.

Barbara Wilson questioned the timing of rolling out the STR pilot program in the midst of the pandemic as well as the overall desire to implement. She also commented on the large number of uncollected TOTs.

Brenda Wisneski commented that the City has been attempting for quite some time to reevaluate the ordinances. She confirmed that there is not a guarantee that there will be an expansion of STRs.

Karen Morris complemented Code Enforcement for working after hours in peak vacation months to help prevent nuisances. She suggested increased fines for owners as she has experienced the fees not being a deterrent.

Jeff Rosaler stated that California code has a maximum fine amount. He also confirmed rolling out a new party to aid in collections.

Barbara Wilson wanted to know how the City interacts with the homeowner associations.

Eric Nelson confirmed that owners cannot circumvent City laws.

Jeff Rosaler confirmed that Code Enforcement has made a lot of progress in catching owners illegally renting.

Toni Nelson suggested supervision of STRs. She believes residents would be positive on homestay STRs. Toni referenced that many STR owners are not City residents, and she believes STRs should only be allowed in commercial and mixed-use areas.

CITY OF DANA POINT
PLANNING DEPARTMENT

January 21, 2021 STR COMMUNITY GROUP STAKEHOLDER ACTION MINUTES
4:02 p.m. – 5:28 p.m.

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Enzo Scognamiglio commented that he lives near STRs and has not had nuisance issues. He believes some people need the income or they could not afford to live Dana Point. Enzo stated that everyone should have a voice. He stated that he is against investors buying property and renting from afar.

Toni Nelson mentioned that 72% of STRs are owned by investors and echoed what Enzo said on the concerns of renting from afar.

ADJOURNMENT

Eric Nelson adjourned the meeting at 5:28 p.m.

SUPPORTING DOCUMENT 3: Stakeholder Comments and Subcommittee Recommendation Summary



STR STAKEHOLDER COMMENT SUMMARY FOR PHASE I - BUSINESS REGULATIONS

The following represents comments received from a series of stakeholder meetings conducted during the week of January 18, 2021. The meeting videos and minutes are available on the City's website. The discussion and recommendations focus on how the City can best regulate short term rentals to ensure impacts to their neighbors are minimized. The table below also includes comments from staff and recommendations from the Planning Commission Subcommittee.

Stakeholder Group (Meeting Date)	Suggested Regulation	Staff Comments	Subcommittee Recommendation
Community Groups (January 21, 2021)	Continue afterhours Code Enforcement staffing to address nuisances during peak vacation periods.	STR-focused enforcement was conducted between 6:30 pm-10:30 pm last summer (July – October), and is expected to continue in 2021.	Recommended
	Include long-term renters and hotels as stakeholder groups and ensure vast public outreach to residents that may not be aware of the City's STR efforts.	Opportunities to expand the outreach program will continue.	Recommended.
	Increase fines for violations.	City is limited to a fine not exceeding \$1,000/violation, but pending legislation (SB60) would increase to \$5,000/violation.	Recommended.
	On-site owner/manager supervision of STRs to abate nuisances (i.e., homestays).	Supports Subcommittee's recommendation.	To be considered in phase two.
	Violations should be issued on a per-day basis.	Existing code allows violations to be issued on a per day basis the violation continues to exist. <i>DPMC 1.1.0.030 Each and every day a violation of this Code exists constitutes a separate and distinct offense and will be subject to a separate fine.</i>	Addressed in current regulations.
	Consider additional methods to track and collect TOT.	City's Administrative Services Department to evaluate.	Recommended.

PLANNING COMMISSION STR WORKSHOP REPORT
FEBRUARY 22, 2021
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Stakeholder Group (Meeting Date)	Suggested Regulation	Staff Comments	Subcommittee Recommendation
Management Companies (January 20, 2021)	Parking regulations should be based on the size of the unit.	Suggestion is consistent with current regulations.	Require all vehicles to be parked in the garage or driveway.
	Consider deferring parking regulations to the underlying CC&R regulations for condo complexes.	Staff supports Subcommittee recommendation.	Current parking regulations are effective.
	Consider noise monitors to address noise issues and verify violations for Code Enforcement. Note that noise monitors can produce false readings.	Staff supports Subcommittee recommendation.	Seeking PC input/discussion.
	Require rental contracts to be submitted to City.	City has created a "Good Neighbor" brochure, available on the city's website with the intent of being placed in all STRs with agent/owner contact info. Staff supports Subcommittee recommendation.	Require guests sign a good neighbor contract that outlines rules for the STR.
	Increase the minimum age for renters to 25.	Suggestion supported.	Recommended.
	Managers/owners should screen renters.	Challenging to enforce.	Not recommended.
	The Stakeholders were split regarding extending the minimum night stay or maintaining the existing two night minimum.	Current regulations require a two night minimum.	Maintain the current minimum night regulation.
	Post the emergency contact information for all STRs on the City's website and have a web-based map that includes the owner/manager information to immediately respond to issues.	A map with STR management/owner contact information is now posted on the City's website.	Recommended.
	Post City regulations on the inside of STR units.	Suggestion supported.	Recommended.

	Partner with online platforms to require the permit number to be posted on listings and restrict advertising unless the STR is registered with the City.	The City requires permit numbers be posted on advertisements. The City is discussing the ability to require a permit number field for online platform advertisements that would be cross-referenced with the City's database.	Recommended.
Neighbor/ Resident (January 19, 2021)	Parking regulations should be determined based on each neighborhood.	Current parking regulations are effective.	Maintain the current parking regulation.
	Multi-unit developments should have different parking regulations from single-family residences.	Current parking regulations are effective.	Maintain the current parking regulation.
	Require on-site management.	Staff supports the Subcommittee recommendation.	Consider for phase two.
	Limit guests to only those on the lease.	Challenging to enforce.	The existing regulation is more effective, which limits the occupancy of the unit.
	24/7 Code Enforcement oversight.	STR-focused enforcement was conducted between 6:30 pm-10:30 pm last summer (July – October), and is expected to continue in 2021.	Continue expanded Code Enforcement hours during peak periods.
	Violations issued to STRS should not be reset annually.	Staff supports Subcommittee recommendation.	Recommend evaluating if some violations should not be reset annually and should remain on the record for the life of the permit. City Attorney should determine if there are legal limitations.

	The City should enforce regulations instead of community boards.	The City enforces the Municipal Code uniformly/equitably across all neighborhoods and is not reliant on HOA/CC&R regulations or enforcement.	Maintain existing regulations.
	Evaluate the existing regulation for alcohol consumption 5.38.080(17).	Regulations reviewed. No amendment required.	Maintain existing regulations.
	Consider additional methods to track and collect TOT	City's Administrative Services Department to evaluate.	Recommended.
Permit Holders (January 18, 2021)	Legal nonconforming units that do not comply with the parking requirement should be considered to qualify for an STR.	Legal nonconforming units are not precluded from obtaining a STR permit.	STRs should meet the STR parking regulations.
	Garages and driveways should be used for parking instead of the street.	Suggestion supported.	Recommended.
	Establish a zero-noise requirement.	Enforcement recommends zero amplified noise be heard at neighboring property line at all times and zero noise be heard offsite during established quiet hours (10 pm – 9 am).	Seeking PC discussion/input.
	Establish a maximum decibel level to avoid nefarious noise complaints.	DPMC 11.10.010 Exterior Noise Standards already establishes permitted noise levels.	Seeking PC discussion/input.
	Consider noise monitors to address noise issues and verify violations for Code Enforcement. Note that noise monitors can produce false readings.	Consider testing noise monitors in Phase two.	Seeking PC discussion/input.
	Consider walkup trash service by CR&R.	Monthly fee of \$39.69. Suggestion supported.	Recommend.

	Increase citations for violations.	City is limited to a fine not exceeding \$1,000/violation, but pending legislation (SB60) would increase to \$5,000/violation.	Recommend.
	Extend the minimum night stay.	Currently require two night minimum.	Maintain the existing minimum night regulation.
	Extended hours or 24/7 Code Enforcement oversight.	STR focused enforcement was conducted between 6:30 pm-10:30 pm last summer (July – October), and is expected to continue in 2021.	Continue expanded Code Enforcement hours during peak periods.
	The Property Manager should arrive at the unit within 20 minutes of a complaint to address an issue.	Difficult to enforce without enforcement staff on-site at the time of the violation.	Recommended.
	Require a standardized lease for a maximum number of guests.	Challenging to enforce.	Maintain the existing regulation that limits the occupancy.
	Increase the minimum age for renters.	Staff supports the Subcommittee recommendation.	Recommend 25-year minimum age.

* See minutes for additional comments that are associated with Phase II (Pilot Program).

SUPPORTING DOCUMENT 4: Municipal Code Section 5.38 Short Term Rental Business Regulations

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Chapter 5.38 SHORT-TERM RENTAL PERMITS

Dana Point Municipal Code

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Chapter 5.38 SHORT-TERM RENTAL PERMITS

[5.38.010 Purpose.](#)

The purpose of this Chapter is to require the owner or owners of a residential dwelling unit that is used as a short-term rental, as defined herein, to apply for and secure a permit authorizing such use in the manner provided for by this Chapter in order to safeguard the peace, safety and general welfare of the residents of Dana Point and their visitors and guests by eliminating excessive noise, disorderly conduct, vandalism, overcrowding, traffic congestion, illegal vehicle parking, and the accumulation of refuse which are directly related to short-term rentals. (Added by Ord. 13-01, 4/2/13)

[5.38.020 Definitions.](#)

For the purpose of this Chapter, the following definitions shall apply:

- (a) "Agent" shall mean the representative, if any, designated by the owner in accordance with Section 5.38.040.
- (b) "City Manager" shall mean the City Manager of the City of Dana Point or designee.
- (c) "Community Development Director" shall mean the Community Development Director of the City of Dana Point or designee.
- (d) "Owner" shall mean the person(s) or entity(ies) that hold(s) legal and/or equitable title to the short-term rental.
- (e) "Short-term rental" is defined as the rental of any structure or any portion of any structure for occupancy, dwelling, lodging or sleeping purposes for at least two (2) consecutive nights, but no more than thirty (30), consecutive calendar days in duration in a zoning district where residential uses are allowed, including, but not limited to, detached single-family dwellings, condominiums, duplexes, triplexes, townhomes and multiple-family dwellings. "Short-term rental" historically and continues to be included in the definition of "hotel" for purposes of collecting transient occupancy tax pursuant to Chapter 3.25 of this Code.
- (f) "Transient" means any person who occupies or is entitled to occupy by reason of concession, permit, right of access, license or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel is a transient until the period of thirty (30) days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy. In determining whether a person is a transient, an uninterrupted period of time extending both prior and subsequent to the effective date of the ordinance codified in this Chapter may be considered. (Added by Ord. 13-01, 4/2/13)

[5.38.030 Permit Required.](#)

No owner of a short-term rental located within a zoning district where residential uses are allowed shall rent, offer to rent, or advertise for rent the short-term rental to another person without a valid short-term rental permit approved and issued in the manner provided for by this Chapter. (Added by Ord. 13-01, 4/2/13)

[5.38.040 Agents.](#)

An owner may retain an agent or a representative to comply with the requirements of this Chapter, including, without limitation, the filing of an application for a permit that has been signed and notarized by

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Chapter 5.38 SHORT-TERM RENTAL PERMITS

the owner, the management of the short-term rental, and the compliance with the conditions to the permit. The permit shall be issued only to the owner of the short-term rental. The owner of the short-term rental is responsible for compliance with the provisions of this Chapter and the failure of an agent to comply with this Chapter shall be deemed non-compliance by the owner. (Added by Ord. 13-01, 4/2/13)

5.38.050 Application for Permit.

The owner or owners shall submit an application for a short-term rental permit to the Director of Community Development. The application for a short-term rental permit shall be upon forms provided by the City and shall contain the following information:

- (a) The name, address and telephone number of the owner of the short-term rental for which the permit is to be issued.
- (b) The name, address and telephone number of the agent, if any, of the owner of the short-term rental.
- (c) Evidence of a valid transient occupancy tax registration certificate issued by the City for the short-term rental.
- (d) Proof of general liability insurance in the amount of one million dollars (\$1,000,000.00) combined single limit and an executed agreement to indemnify, defend, and save the City harmless from any and all claims and liabilities of any kind whatsoever resulting from or arising out of the short-term rental.
- (e) Acknowledgement of receipt and inspection of a copy of all regulations pertaining to the operation of a short-term rental within the City.
- (f) Such other information as the Director of Community Development deems reasonably necessary to administer this Chapter. (Added by Ord. 13-01, 4/2/13)

5.38.055 Renewal of Permit

The owner or owners shall apply for and renew annually at permit issuance anniversary date with any changes to the information or requirements set forth in Section 5.38.050 and shall provide a current proof of general liability insurance pursuant to Section 5.38.050(d). (Added by Ord. 13-01, 4/2/13)

5.38.060 Denial of Permit.

No application for an original permit or a subsequent renewal shall be denied if it meets the conditions of permit issuance pursuant to Section 5.38.080 unless a permit for the same short-term rental has been revoked or is in the process of being revoked pursuant to Section 5.38.100 of this Chapter. (Added by Ord. 13-01, 4/2/13)

5.38.070 Filing Fee.

An application for a short-term rental permit shall be accompanied by a fee established by resolution of the City Council; provided, however, the fee shall be no greater than necessary to defer the cost incurred by the City in administering the provisions of this Chapter. (Added by Ord. 13-01, 4/2/13)

5.38.080 Conditions of Permit Issuance and Renewal.

- (a) All permits and renewals issued pursuant to this Chapter are subject to the following standard conditions:
 - (1) The owner shall ensure that the short-term rental complies with all applicable codes regarding fire, building and safety, and all other relevant laws and ordinances.

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- (2) The owner shall provide proof that short-term rentals are not prohibited by its Homeowners Association Conditions, Covenants and Restrictions ("CC&Rs") or any other community standards/guidelines, applicable to the proposed short-term rental.
- (3) The short-term rental unit in which a permit is being requested must pass an initial inspection by the City prior to permit issuance. The City may conduct additional inspections as deemed necessary or prudent prior to subsequent renewals.
- (4) The owner shall provide a twenty-four (24) hour emergency contact located within a twenty-five (25) mile radius of the short-term rental that will be available to respond to issues at the short-term rental.
- (5) The short-term rental must have a minimum of two (2) off-street parking spaces.
- (6) The short term rental must have a visible house number easily seen from the street, day or night.
- (7) Short-term rentals shall be used only for overnight lodging accommodations. They may not be used for weddings, parties, bachelor/bachelorette parties, conferences or similar events.
- (8) All advertising for the short-term rental shall include the City issued permit number.
- (9) The primary overnight and daytime occupant of the short-term rental must be an adult eighteen (18) years of age or older. This adult must provide a telephone number to the owner and shall be accessible to the owner by telephone at all times.
- (10) Prior to occupancy, the owner shall obtain the name, address and driver's license number or a copy of the passport of the primary adult occupant of the short-term rental. The owner shall require that same adult to sign a formal acknowledgment that he or she is legally responsible for compliance by all occupants and guests of the short-term rental with the provisions of this Chapter. This information shall be readily available upon request of any police officer or employee of the City authorized to enforce this Chapter or State law.
- (11) The owner shall require all occupants to agree to a minimum stay of two (2) consecutive nights.
- (12) The maximum overnight occupancy of the short term rental shall be limited to two (2) persons per bedroom plus two (2) additional persons within the short-term rental. The Director of Community Development may, when unusual size, interior layout, parking or other physical characteristics are shown, approve a greater maximum number of overnight occupants as part of a permit application or renewal.
- (13) The maximum number of vehicles allowed at the short term rental shall be limited to one (1) vehicle per one (1) bedroom unit or two (2) vehicles maximum with two (2) or more bedrooms within the short term rental. The Director of Community Development may, when unusual size, parking or other physical characteristics are shown, approve a greater maximum number of vehicles as part of a permit application or renewal. The owner must make a sufficient number of parking spaces accessible to tenants to accommodate the maximum number of vehicles allowed.
- (14) No on-site exterior signs are to be posted advertising a short-term rental.
- (15) Trash and refuse shall not be left stored within public view, except in proper containers for the purpose of collection by the responsible trash hauler and between the hours of 5:00 p.m. the day before and 8:00 a.m. the day after the scheduled trash collection days, as provided in Chapter 6.10. The owner of the short-term rental shall provide sufficient trash collection containers and service to meet the demand of the occupants.
- (16) Each lease or rental agreement for a short-term rental shall include the following terms, notifications and disclosures, which shall also be posted in a conspicuous location inside the short-term rental:
 - (A) The maximum number of occupants that are permitted and notification that failure to conform to the maximum occupancy is a violation of this Chapter.
 - (B) The number of parking spaces provided and, if not adjacent to the short-term rental, the location of assigned parking and maximum number of vehicles that are permitted.

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(C) The trash pick-up day(s) and applicable rules and regulations pertaining to leaving or storing trash on the exterior of the property.

(D) Notification that the occupant may be cited or fined by the City and/or immediately evicted by the owner for violating any and all applicable laws.

(E) The name of the managing agency, agent, rental manager, local contact person or owner of the unit, and a telephone number at which that party may be reached at all times and 9-1-1 Emergency information.

(F) Summary of applicable Homeowners Association Conditions, Covenants and Restrictions (CC&Rs) and bylaws, including pool location and hours.

(17) The Owner shall ensure that the occupants of the short-term rental do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of the Municipal Code or any State Law pertaining to noise, disorderly conduct, overcrowding, the consumption of alcohol, or the use of illegal drugs. Owners are expected to take any measures necessary to abate disturbances, including, but not limited to, directing the tenant, calling for law enforcement services, or City code enforcement officers, evicting the tenant, or any other action necessary to immediately abate the disturbance.

(18) The Owner shall, upon notification that occupants or tenants of his or her short-term rental have created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of the Municipal Code or State Law pertaining to, but not limited to, noise, disorderly conduct, overcrowding to take action to prevent a recurrence of such conduct by those occupants or guests within twenty-four (24) hours.

(b) The Director of Community Development shall have the authority at any time to impose additional standard conditions, applicable to all short-term rentals, as necessary to achieve the objectives of this Chapter.

(c) The Director of Community Development shall have the authority to impose additional conditions on any permit in the event of any violation of the conditions to the permit or the provisions of this Chapter subject to compliance with the procedures specified in Section 5.38.100.

(d) The owner must maintain a valid transient occupancy tax registration certificate issued by the City for the short-term rental; the owner must collect and remit transient occupancy tax as required by Chapter 3.25 of the Municipal Code. (Added by Ord. 13-01, 4/2/13)

5.38.090 Violations/Penalties.

(a) **Violations.** Except as described in Section 5.38.080(c), the following conduct shall constitute a violation for which the penalties specified in Subsection (b) may be imposed, or the permit revoked:

(1) The owner and/or agent has failed to comply with the standard conditions specified in Section 5.38.080(a);

(2) The owner and/or agent has failed to comply with conditions imposed by the Director of Community Development pursuant to the provisions of Section 5.38.080(b) or (c);

(3) The owner and/or agent has willfully violated the provisions of this Chapter;

(4) The owner and/or agent has failed to comply and pay any fines imposed pursuant to Subsection (b) within thirty (30) days of the date of notification; or

(5) The owner and/or agent has failed to comply and pay the transient occupancy tax or submit a report as required by Chapter 3.25 of this Code within the required time limit.

(b) **Penalties.** The penalties for violations specified in subsection (a) shall be the responsibility of the owner as follows:

(1) For the first violation within any twelve (12) month period, the penalty shall range from a notice of violation to a fine not to exceed two hundred fifty dollars (\$250.00);

(2) For a second violation within any twelve (12) month period, the penalty shall range from a notice of violation to a fine not to exceed five hundred dollars (\$500.00);

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(3) For a third violation within any twelve (12) month period, the penalty shall range from a notice of violation to a fine not to exceed one thousand dollars (\$1,000.00);

(4) For a fourth violation within any twelve (12) month period, the penalty shall range from a notice of violation to a fine not to exceed one thousand dollars (\$1,000.00), to revocation of the permit within the provisions of Section 5.38.100. (Added by Ord. 13-01, 4/2/13)

5.38.100 Procedure for Imposition of Penalties/Revocation.

Penalties, including a notice of violation, shall be imposed, and permits shall be revoked, only in the manner provided in this Section.

The Director of Community Development, or designee, shall conduct an investigation whenever he or she has reason to believe that an owner has committed a violation described in Section 5.38.090(a). Should the investigation reveal substantial evidence to support a finding that a violation occurred, the Director of Community Development shall issue written notice of intention to impose a penalty and/or revoke the permit. The written notice shall be served on the owner, shall specify the facts which, in the opinion of the Director of Community Development, constitute substantial evidence to establish grounds for imposition of the penalties and/or revocation, and specify that the penalties will be imposed and/or the permit will be revoked within thirty (30) days from the date the notice is given unless the owner and/or operator files, with the City Clerk and before the penalties or revocation becomes effective, a request for hearing before the City Manager or designee. (Added by Ord. 13-01, 4/2/13)

5.38.110 Permits and Fees Not Exclusive.

Permits and fees required by this Chapter shall be in addition to any license, permit or fee required under any other chapter of this Code. The issuance of any permit pursuant to this Chapter shall not relieve the owner of the obligation to comply with all other provisions of this Code pertaining to the use and occupancy of the short-term rental or the property on which it is located. (Added by Ord. 13-01, 4/2/13)

5.38.120 Amortization and Amnesty Period.

Owners of short-term rentals shall apply for a permit pursuant to this Chapter by no later than January 15, 2014. Owners of short-term rentals who, prior to the effective date of the ordinance codified in this Chapter, failed to obtain a transient occupancy registration certificate pursuant to Chapter 3.25 of this Code, may do so without penalty notwithstanding the provisions of Chapter 3.25, if an application for the certificate is filed by January 15, 2014. (Added by Ord. 13-01, 4/2/13)

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