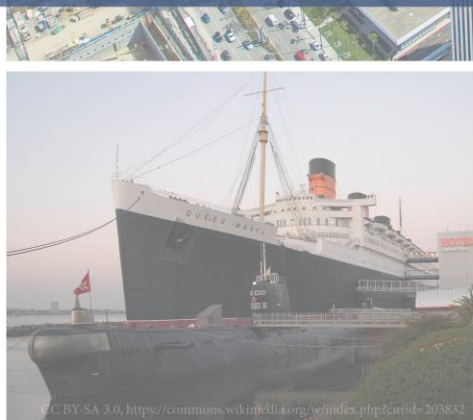


WORKSHOP #3 - SHORT-TERM RENTALS

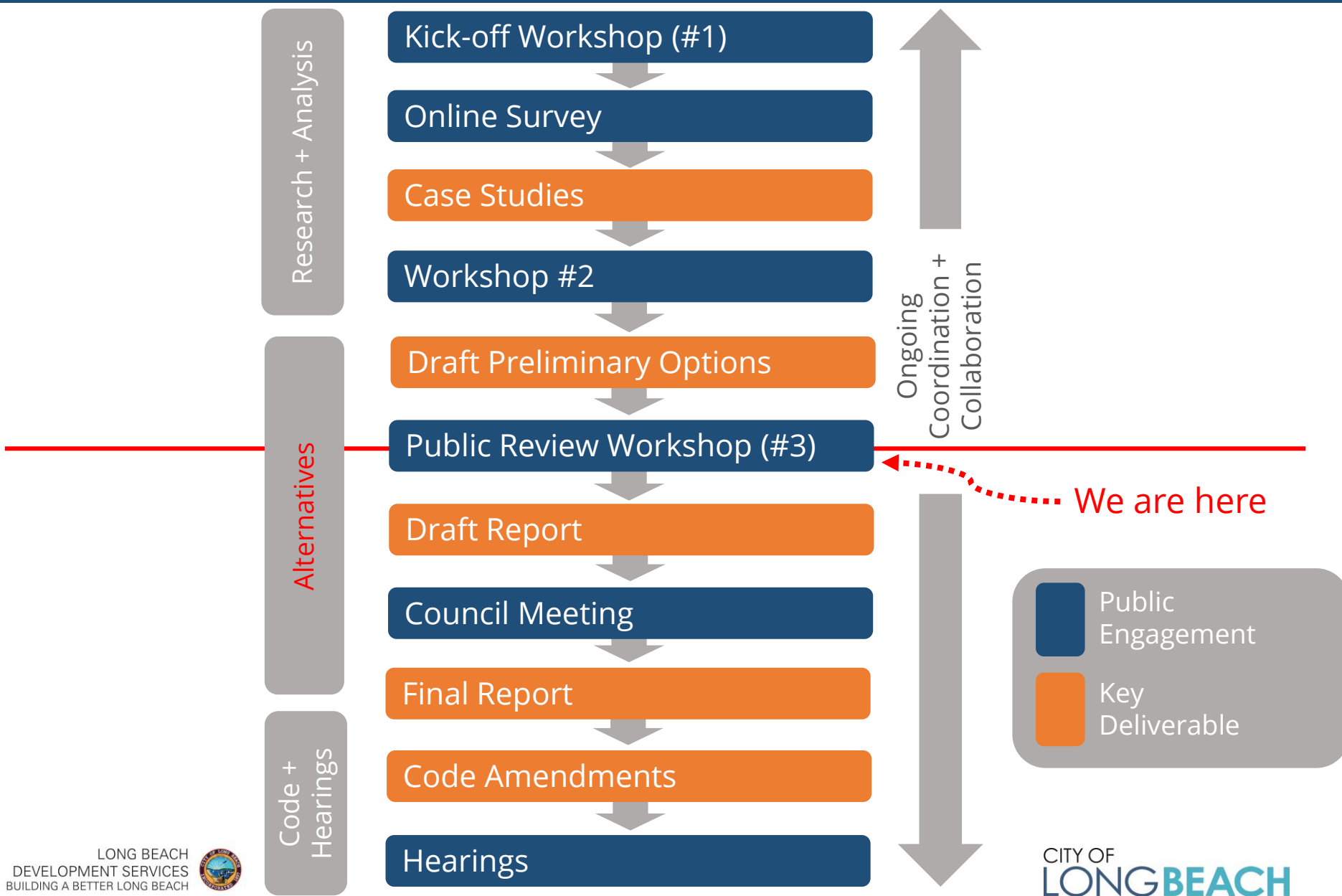
City of Long Beach
October 10, 2018



AGENDA

- 1** Background
- 2** Community Input
- 3** Short-Term Rental Ordinance Options
- 4** Next Steps
- 5** Discussion

Short-Term Rental Ordinance Development



Short-Term Rentals and the City's Code

A home, or portion of a home, rented by paying guests for short stays (30 days or less)

Hosted STRs are allowed with limitations

"Room Rental" Allowed

- Owner must live in home
- Two-room maximum
- Not detached
- No independent exterior entrance
- No kitchen

***City's Code needs
updating to
address STRs***

Un-hosted STRs are prohibited (many cities prohibit STRs based on zoning codes, but STRs occur regardless)

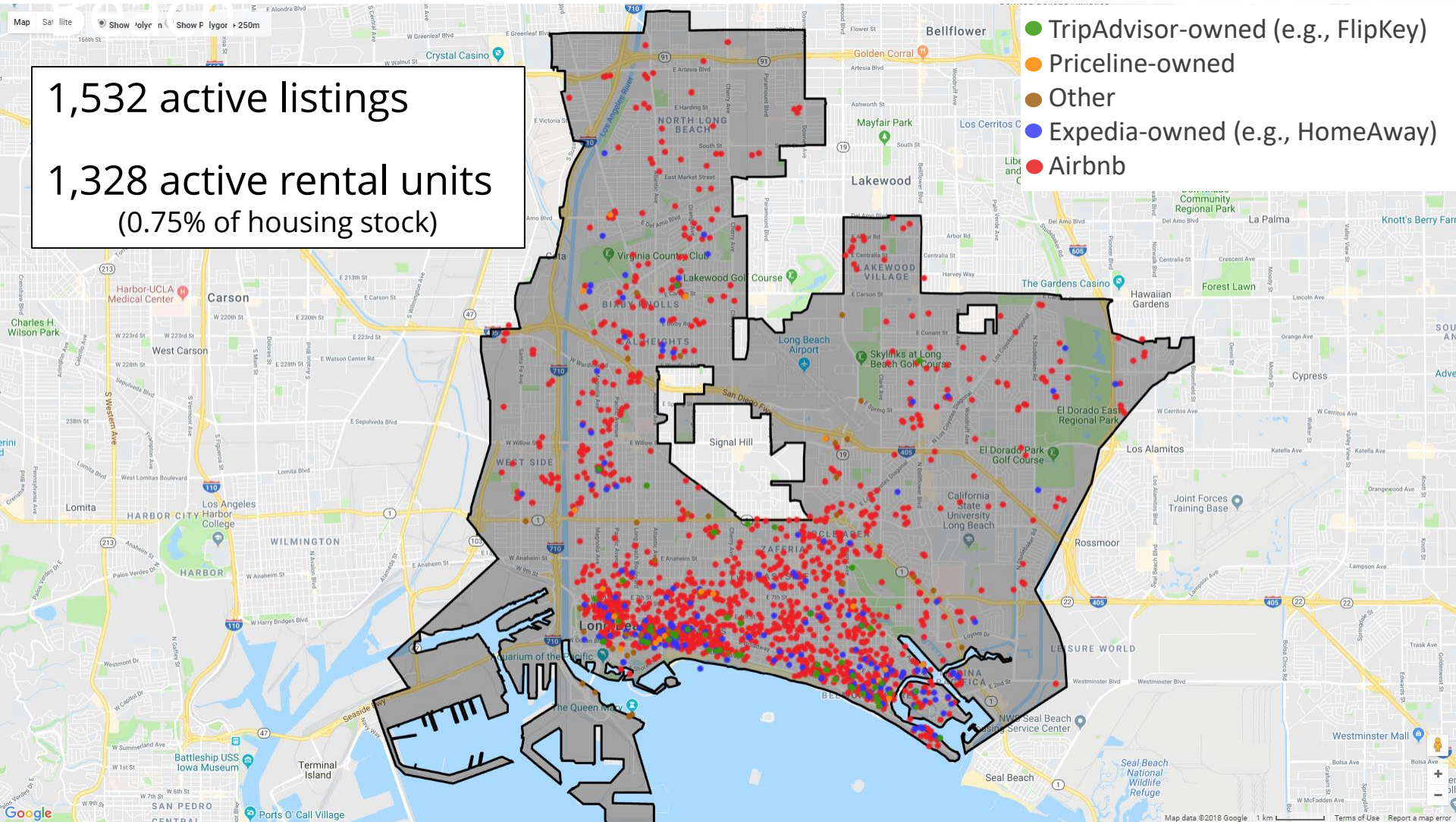
Loud parties are prohibited

Short-Term Rentals in Long

1,532 active listings

1,328 active rental units
(0.75% of housing stock)

- TripAdvisor-owned (e.g., FlipKey)
- Priceline-owned
- Other
- Expedia-owned (e.g., HomeAway)
- Airbnb



Source: Host Compliance

Case Studies

Four case studies reviewed that represent a range of STR approaches

- San Francisco
- Santa Monica
- Newport Beach
- Sacramento

(Long Beach is not limited to these approaches)

Others considered throughout analysis

- San Clemente
- South Lake Tahoe
- Anaheim
- Chicago, IL
- Austin, TX
- Seattle, WA
- New Orleans, LA
- And others

COMMUNITY INPUT



Community Input Opportunities

Event/Activity

Stakeholder interviews

~ 40 individuals

Community Kick-Off Workshop

~ 80 comment cards completed
~ 60 testimonials

Online survey

~ 600 responses

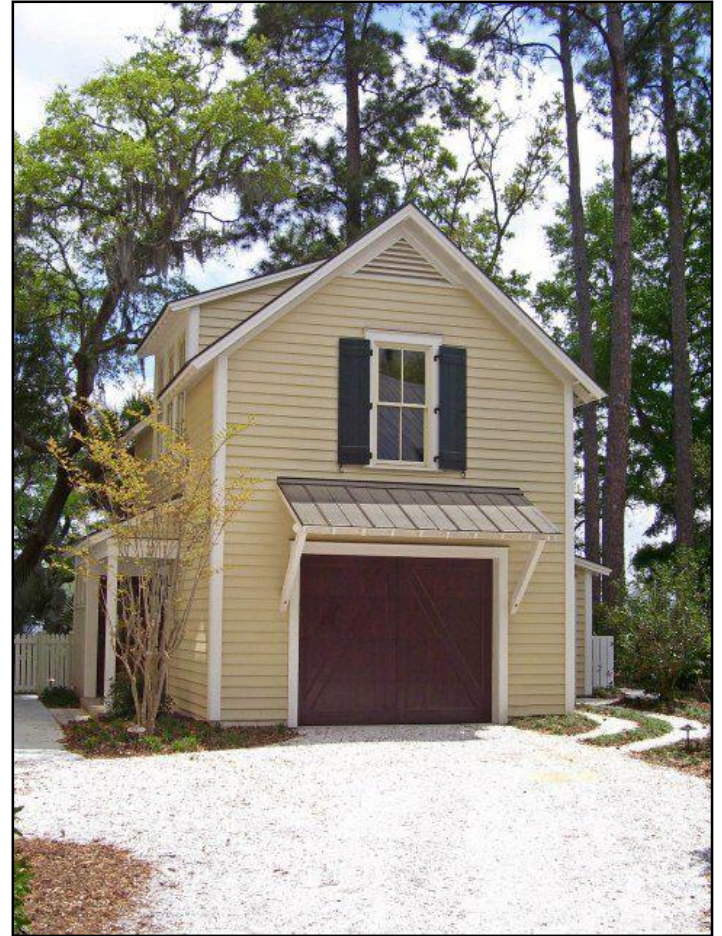
Community Workshop #2

~ 130 scorecards completed

- **Tonight's Workshop**
- **Future meetings**

Community Input Themes

- On-premise STR hosts report positive interactions with guests and reliance on supplemental income
- Comments express STR guests support local businesses
- STRs allow and encourage owners to keep up with property maintenance and improvements



Community Input Themes

- Complaints (noise, parking) voiced regarding non-owner occupied STRs focused in coastal areas
- Party houses raised as an issue, including lack of enforcement
- Concerns on STRs impact to the rental stock and housing shortage



Community Input Themes

- STR regulations need to be enforceable
- A simple STR registration process should be established
- A grace or amnesty period should be provided to adjust to new requirements



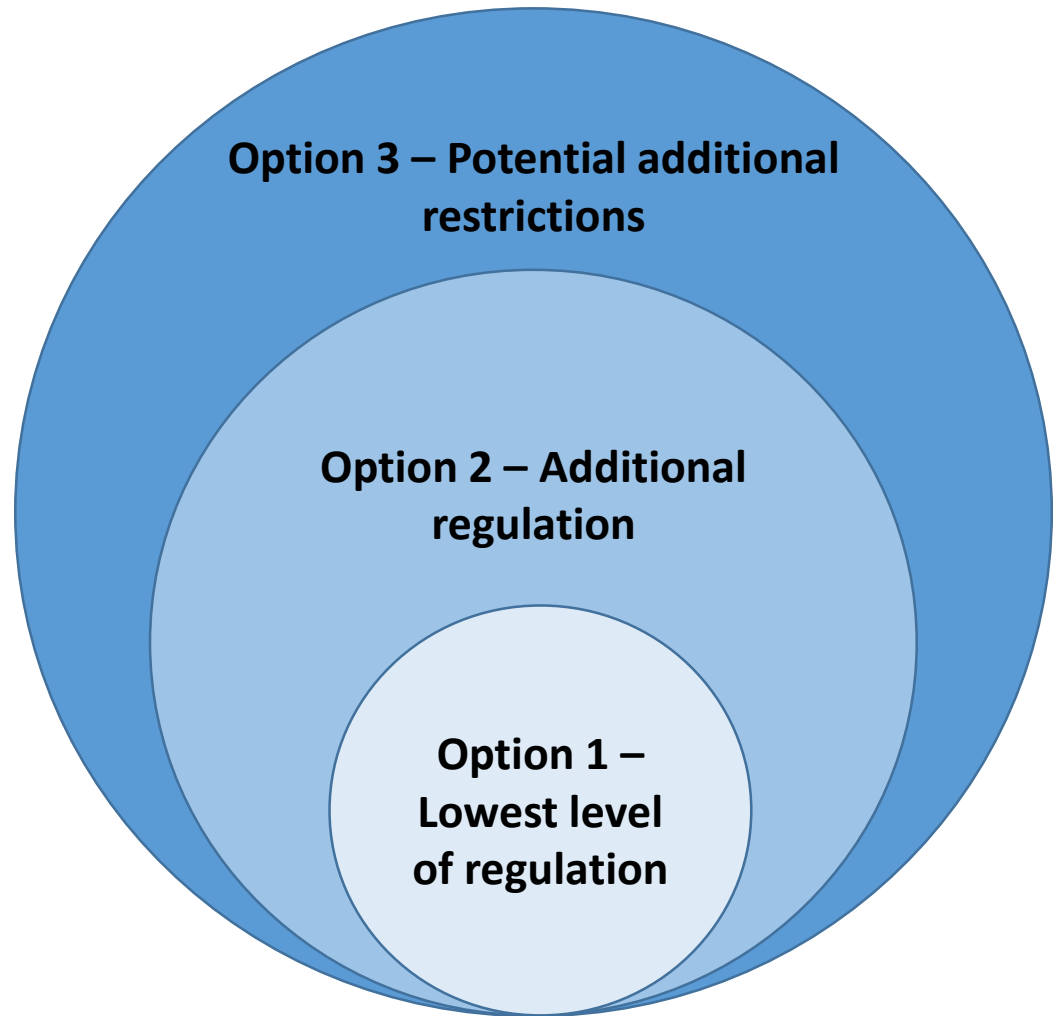
SHORT-TERM RENTAL ORDINANCE OPTIONS



Preliminary Options

Three preliminary options

- Option 1 – lowest level of regulation
- Option 2 – Option 1 + additional regulation
- Option 3 – Option 2 (*except where conflicts*) + potential additional restrictions



Option 1

Overview	<ul style="list-style-type: none"> • Register with City • Provide a local 24-hr contact • Prohibited in income-restricted units and student housing • 24-hr hotline to resolve issues and complaints
Hosted Limit	None
Un-hosted Limit	None
Host Requirements	<ul style="list-style-type: none"> • Provide rules (noise, parking, etc.) to guests prior to stay • Post City requirements in unit
Noise & Parties	Existing City Noise Ordinance applies
Safety & Liability	<ul style="list-style-type: none"> • Map of fire extinguishers and escape routes in unit • Property liability insurance of \geq \$1M
Enforcement	<ul style="list-style-type: none"> • City registration number in listing • Compliance with HOA and rental agreements • Online platforms responsibilities • 3rd violation in 12 months – registration revoked for 12 months
TOT	12% (current City TOT rate)

Option 2

Overview	<ul style="list-style-type: none">• Option 1 +• Residents may have 2 STRs or 3 if one is a primary residence• Non-primary residence STRs in multi-family buildings limited to 25% of total units or 6 STRs (whichever is less)
Hosted Limit	None (same as Option 1)
Un-hosted Limit	90 nights of un-hosted guest stays for primary residence STRs
Host Requirements	Lived in primary residence for ≥ 60 days
Noise & Parties	<ul style="list-style-type: none">• Large-scale events prohibited• Quiet hours (10pm-7am) apply to outdoor pools and hot tubs
Safety & Liability	<ul style="list-style-type: none">• Occupants limited to 2 ppl/bdrm + 2ppl; max 10 ppl• Exterior signage prohibited
Enforcement	Same as Option 1
TOT	12% (same as Option 1)

Option 3

Overview	<ul style="list-style-type: none">Options 1 + 2 (except where Option 3 conflicts with Option 2)Un-hosted STRs may be prohibited in a designated area through a petition process
Hosted Limit	None (same as Options 1 + 2)
Un-hosted Limit	Same as Option 2 unless un-hosted STRs are prohibited in the designated area
Host Requirements	Same as Options 1 + 2
Noise & Parties	Same as Options 1 + 2
Safety & Liability	Same as Options 1 + 2
Enforcement	Same as Options 1 + 2
TOT	12% (same as Options 1 +2)

Summary		
Option 1	Option 2	Option 3
<ul style="list-style-type: none"> • City registration; registration number in all listings; 12% TOT • Local 24-hr contact • Prohibited in income-restricted units and student housing • 24-hr hotline to resolve issues and complaints • Host provides guest with rules and safety information and posts in unit • \$1M property liability insurance • Compliance with HOA and rental agreements • Online platforms responsibilities • 3rd violation in 12 months – registration revoked for 12 months 		
	<ul style="list-style-type: none"> • 2 STRs/resident; 3 if one is a primary residence • Non-primary residence STRs in multi-family buildings limited to 25% of total units or 6 STRs (whichever is less) • 90 nights of un-hosted guest stays for primary residence STRs • Lived in primary residence for ≥ 60 days • Large-scale events prohibited; quiet hours apply to outdoor pools and hot tubs • Occupants limited to 2 ppl/bdrm + 2ppl; max 10 ppl • Exterior signage prohibited 	
		Un-hosted STRs may be prohibited in a designated area through a petition process

Next Steps **PLEASE NOTE NEW DATE**

- Revise/refine options based on tonight's feedback
- Identify a preferred option based on tonight's feedback (if possible)
- Further analysis for City implementation and administration of options

Event	Date/Timeframe UPDATED
City Council direction on preparing ordinance	November 2018 December 4, 2018
Following steps based on City Council direction	Post-November 2018 Post-December 2018

Discussion

- What questions do you have about the proposed options?
- Which do you consider to be your preferred option?
- What suggestions do you have to improve your preferred option?

Stay informed, see you soon, and thank

City of Long Beach – Short-Term Rental Project Webpage:

<http://www.lbds.info/lbshorttermrental/>

City of Long Beach – Email list sign up:

<http://www.longbeach.gov/linklb/>

City of Long Beach – Project Contact:

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