



City of Del Mar Staff Report



TO: Honorable Mayor and City Council Members

FROM: Scott W. Huth, City Manager
Prepared by Adam Birnbaum, Planning Manager

DATE: November 16, 2015

SUBJECT: Status Report on Draft Code Amendments Related to Short-Term Rentals

REQUESTED ACTION/RECOMMENDATION:

Receive the report and provide direction to staff accordingly.

DISCUSSION/ANALYSIS:

At its July 20, 2015 meeting, the City Council received public testimony about the issue of short-term rentals. No action was taken, other than to direct staff to schedule an agenda item on a subsequent meeting agenda for further City Council discussion. An item was placed on the City Council's September 8, 2015 meeting. At that time, after taking continued public comment, the Council discussed the issue and directed staff to begin processing a set of code amendments to allow and regulate short-term rentals. Using a worksheet prepared by staff, the City Council also provided preliminary direction on the types of regulatory parameters that should be included for consideration in the draft amendments. An updated copy of the worksheet used at the September 8, 2015 Council meeting is included in Attachment A. The updated iteration includes a synopsis of the City Council's input on the various policy topics listed in the worksheet. In some cases, there was consensus amongst the four Council members present at the meeting. On other issues, there were differing positions and, in some cases, the Council members did not provide specific direction but suggested that the issue be vetted as part of the formal code amendment process. The September 8, 2015 Council meeting minutes are included in Attachment B.

It is important to note that the September 8, 2015 City Council direction was preliminary. It is recognized that, with additional public input and reviews by the Planning Commission, the draft ordinance that is ultimately presented to the Council as part of the formal code amendment process may include different draft policies and regulatory parameters than were previously discussed by the City Council..

Based on the direction provided at the September 8, 2015 City Council meeting, staff prepared a draft ordinance with a set of draft Municipal Code amendments for a first

City Council Action:

review by the Planning Commission at its November 8, 2015 meeting. As a reminder, the Planning Commission's role in the code amendment process is to hold public hearings and make recommendations to the City Council.

A full copy of the report and draft code amendment language prepared for the November 8, 2015 Planning Commission meeting is included in Attachment C. The staff report noted that the Planning Commission would not take any formal action at this meeting, that the purpose of the meeting was solely to facilitate public input and hold preliminary Commission discussion on the issues related to short-term rentals.

Staff will be prepared at the Council's November 16, 2015 meeting to provide a review of the public input and Commissioner discussion from the November 8, 2015 Planning Commission meeting. The Red Dot correspondence submitted to date for the November 8, 2015 Commission meeting is included in Attachment D.

The purpose of this report is to give the Council a briefing on the status of the Municipal Code amendments being processed on short-term rentals and to receive any additional policy direction on the code amendments that the Council deems appropriate.

ATTACHMENTS:

- Attachment A - Recap of City Council Policy Discussion Worksheet
- Attachment B - September 8, 2015 City Council meeting minutes
- Attachment C - November 10, 2015 Planning Commission Staff report
- Attachment D - Red Dot correspondence submitted to date for Planning Commission meeting

Recap of Council Comment on short-term rental policy discussion worksheet

At its September 8, 2015, meeting, the City Council used the worksheet shown below to provide guidance to staff on whether to pursue a set of Municipal Code amendments to allow and regulate short-term rentals and, if so directed, to provide preliminary guidance on the approaches on the regulatory parameters to be included in such code amendments. This exhibit shows the questions asked of City Council in the worksheet and a synopsis of the Council's comments on each question. The original worksheet language, including the notes provided by staff on some of the issues, is shown in Arial font. The re-cap of Council comments is shown in this Times New Roman font.

Short-Term Rental Policy Discussion Worksheet

The flowing list of topics is intended to help facilitate City Council discussion on whether a code amendment should be pursued and, if so, to provide preliminary policy direction on the types of standards, requirements and procedures staff should include in a draft ordinance.

1. Issue: Should the Municipal Code be amended to allow and regulate short-term rentals? If so, consider questions 2-9.

City Council Comments/Direction:

There was consensus to direct staff to commence preparation of a set of code amendments for review by the Planning Commission and City Council

2. Issue: Locations in which short-term rentals would be allowed

Should short-term rentals be allowed in:

- A. Only certain geographic areas of the community?
- B. Any residential zone?

City Council Comments/Direction:

There was consensus that short-term rentals should be listed as an allowed use in each of the residential ones but with the caveat that it may be appropriate to apply different regulatory controls for different zoning districts. For example, the regulations might be different for the R-1-10 zone in the City's hillside area than for the residential zones in the City's North Beach area (R1-10B, R1-5B, RM East and RM-West Zones)

Should short-term rentals be allowed in:

- A. Single family homes,
- B. Duplexes, and/or
- C. Multi-family structures?

Notes: Some of the previous comments received included suggestions that short-term rentals be allowed only in near-shore areas. Others suggested that they not be allowed in areas zoned for single-family use. If both parameters were applied, it would severely limit the area in which they could operate.

3. Issue: Minimum durations of stay

Should there be a minimum duration for lease of a short-term rental?

Common minimum-stay durations set by other communities include:

- A. Three days
- B. Five days
- C. Seven days
- D. 30 days

City Council Comments/Direction:

The Council did not come to consensus on this issue. The majority of the Council members present felt a minimum-stay duration of between seven and 10 days was appropriate for the beach area where there has historically been a higher concentration of short-term rentals and perhaps a longer minimum stay duration, even as long as 30 days, for low density residential areas farther removed from the beach. One Council member felt that a minimum-stay requirement was not the appropriate way to address potential impacts on neighbors and that other mechanisms, such as a Good Neighbor Policy, would be a better approach. The Council was also advised by staff that the California Coastal Commission, based on their charge to protect and enhance public access opportunities to the coastline, has taken issue with local jurisdictions requiring what they describe as unduly long minimum-stay requirements for short-term rentals.

4. Issue: Maximum occupancy limits

Should there be maximum tenant occupancy?

Notes: Frequent approaches include a limit of occupancy based on a standard of not more than two persons per bedroom. Some jurisdictions apply the per bedroom limitation plus an overall maximum on the number of persons, regardless of the number of bedrooms in the home. Some jurisdictions include overnight occupancies and limits on the number non-leasing visitors.

City Council Comments/Direction:

There was consensus that a maximum occupancy limit should be applied with a limit of two persons per bedroom, plus two additional persons. There was also discussion of limiting the maximum occupancy based on the amount of parking provided at the property. There was no specific ratio identified (e.g. how many occupants per vehicle parking space available) but there was direction that some occupancy to parking standard should be included for consideration in a draft ordinance.

5. Issue: Limits on frequency in which a structure may be offered for short-term lease

Should there be a limit on the number of days per week, month or year that a structure may be used as a short-term rental?

Note: Approaches used by some other jurisdictions include monthly and/or yearly caps.

City Council Comments/Direction:

The Council did not come to consensus on this issue but felt that there should be some options for consideration in the draft Ordinance to guard against properties in residential zones operating full time as de-facto hotels.

6. Issue: Short-term rental of portions of structures

For rentals of portions of a home, should there be a limitation that portions of residences be available only when the home-owner is present?

Notes: The intent of the requirement for owner's presence is to foster neighborly behavior. The airbnb website generally offers three types of lease agreements: a) entire structure; b) private room; and c) shared room.

City Council Comments/Direction:

There was consensus that there should be a requirement that where a portion of a residence, vs. an entirety of a residence, is rented on a short-term basis, the owner of the property, or a long-term lessee of the property, must be present.

7. Issue: City Authorization/Permit Required

Should a short-term rental be subject to prior receipt of a City permit or other form of authorization?

- A. If so, should there be an annual renewal requirement?
- B. Should the authorization be:
 - 1) Ministerial, wherein approval is granted if the application complies with the quantifiable standard of review?; or
 - 2) Discretionary, where approval is subject to case-by-case review?
- C. Should owners/operators be subject to, or exempt from, receipt of a separate Business License or other permit fee?

Note: If the standards in the ordinance are clear, requiring a discretionary review (item B above) would seem inappropriate.

City Council Comments/Direction:

There was consensus that operation of a short-term rental should be subject to the receipt of a City-issued permit. There was also consensus that the permit review should be ministerial rather than discretionary (issued by staff if the application meets all the applicable criteria). There was also consensus that there should be a mechanism to ensure that the residence to be leased is compliant with fire-safety and building standards.

Issue: Enforcement

Should violation of a short-term rental ordinance carry penalties such as:

- A. Fines
- B. Hearing for possible revocation of permit (if such ultimately required)
- C. Forfeiture of right to operate the short-term rental for a specified period

Notes: If a new set of code requirements is established for short-term rentals there may be an increase in potential violations, with a resulting need to allocate staff resources for education and effective enforcement. A deposit system could be applied wherein the City could draw against the deposit, as necessary, to offset the costs of enforcing a violation of the short-term rental approval. The deposit system would also provide an incentive for the property owner, manger and tenant to comply with the short-term regulations.

City Council Comments/Direction:

There was consensus that a robust code enforcement program was critical to having an effective approach to short-term rentals and that a complete array of the enforcement measures, including a code enforcement security deposit, should be included in the ordinance and described in the permit application process.

8. Issue: Good Neighbor Policy

- A. In addition to regulatory standards, should a Good Neighbor Policy be established?
- B. Should the Policy be applicable solely to short-term or all homes?

City Council Comments/Direction:

There was consensus that a Good Neighbor Policy would be helpful as an adjunct to codified regulations. There was not particular discussion on whether such the Good Neighbor Policy should be provided to all types of rentals. That determination could be made at the time the Council reviews the Good Neighbor Policy document itself.

10. Assumed measures for inclusion in code amendment

If direction is given to proceed with a code amendment, it is recommended and assumed that the following topics would be addressed in a draft ordinance.

- A. Requirement that emergency 24-hour contact information of the owner, operator and manager (as applicable) be posted conspicuously, both at the interior and exterior of the structure, with requirement for response within 45 minutes
- Compliance with City's noise regulations
- B. Requirement that adequate trash collection bins be available and that applicable trash-collection schedules be observed
- C. In-home posting of any established Good Neighbor Policy adopted by the City, with distribution to owners, leasing/booking agents, operators and tenants
- D. Requirements related to the availability of on-site parking spaces, including a prohibition or limitations on over-sized vehicles

City Council Comments/Direction:

There was consensus that each of the listed measures should be included in the draft ordinance.

~~CITIZENS' ADVISORY COMMITTEE ON A QUARTERLY BASIS, AND
ALLOW THE COMMITTEE TO CONTINUE WITHOUT ANY AMENDMENTS
TO THE MEMBERSHIP IN ORDER TO REVIEW RESULTS FROM
THEIR WORK PRODUCT. MOTION PASSED 2-1-0, WITH MAYOR
CORTI OPPOSED AND COUNCIL MEMBER SINNOTT ABSENT.~~

RECESS AND CALL TO ORDER - 9:15 P.M.

Mayor Corti recessed the meeting at 9:15 P.M. and called it back to order at 9:29 P.M. All Council Members were present, except Council Member Sinnott.

ITEM 17

POLICY DISCUSSION AND DIRECTION TO STAFF REGARDING A CODE AMENDMENT TO ADDRESS THE RENTAL OF RESIDENTIAL PROPERTIES, BOTH LONG-TERM AND FOR DURATIONS OF 30 DAYS OR LESS (SHORT-TERM RENTALS) (Clerk's File No. 301-19)

Planning Manager Adam Birnbaum provided the staff report and PowerPoint presentation. He provided a synopsis of the long-term and short-term rentals in Del Mar and the concerns that a large number of short-term rentals may change the community character. He noted listings on VRBO and Airbnb, of which there were 130 in Del Mar, 13 of which were for properties renting a portion of a property. He noted Coastal Commission considerations and reviewed the intent of Good Neighbor Policies. He explained the Municipal Code amendment process and sought preliminary direction to pursue a Code Amendment and policy direction.

Mayor Corti opened the item to public comment and the following people spoke:

Scott Renner, Via Alta
Toni Cieri, 20th Street
Robin Crabtree, 25th Street
Debbie Church, 27th Street
Richard LoGiurato, 21st Street
Tanys Evangelisti, Camino del Mar
Barbara McRoskey, 26th Street
Peter McRoskey, 26th Street
Tyneal Simon, no address provided
Jeff McGuire, 9th Street
Rory Revier, S. Cedros Avenue, Solana Beach
Austin Birch, Camino del Mar
Kimberly Jackson, Camino del Mar

Lory Sharp Trombly, 25th Street
Ed Yuskiewicz, Coast Boulevard
Tom Davis, Ocean Front
Bruce McDermott, 25th Street
Ken Assi, Zapo Street
Stephen Scola, Melanie Way
Gina Mattern, Camino del Mar
John Freis, 11th Street
Tony Varano, 10th Street
Nancy Doyle, 26th Street

Mayor Corti noted additional speaker slips for those who did not wish to speak, but supported regulations:

Sandi Weaver, 19th Street
Bill McDermott, 25th Street
Camilla Rang, 10th Street
Brenda Sampiere, 26th Street
Gale Keel, Camino Del Mar

Council reviewed and discussed each question in Attachment A to the Staff Report (Short-Term Rental Policy Discussion Worksheet) and provided direction to staff to prepare a Municipal Code amendment and policy direction on parameters to be included in the ordinance to allow and regulate short-term rentals.

Council supported having different regulations for different geographic areas in the City, but not be limited based on structure size. Council noted that parking availability may be an issue. In relation to minimum duration of stay, several Council Members expressed support that the Beach Colony have a minimum duration of seven to ten-days and a thirty-day minimum duration in the Hillside area. Council Member Mosier expressed opposition to limits and advocated the need for a Good Neighbor Policy and occupancy limits. In relation to maximum occupancy limits, Council supported two individuals per bedroom plus two extra daytime visitors with the suggestion that occupancy limits be in correlation to the number of parking spaces available. In relation to limits on frequency in which a structure may be offered for short-term lease, Council discussed the need to accommodate different models, and the differences between having an owner on-site or an absent landlord. Council also discussed the suggestion where all negative aspects of turnover should be addressed to ensure that neighborhoods do not turn into hotels. In discussing short-term rental of portions of structures, Council supported the

intent of the requirement for owner's presence or long-term leasees's presence. In relation to City Authorization/Permit required, Council supported a ministerial application with an additional public safety component. In relation to enforcement, Council supported a robust enforcement process. Council also supported establishing a Good Neighbor Policy. Council supported the additional items for inclusion in the Code Amendment, such as contact information for the owner/manager, trash collection, posting of the Good Neighbor Policy, and parking restrictions.

Mayor Corti called the question as to whether the Council should continue the meeting past 11:00 p.m. All Council Members present were in support of continuing the meeting past 11:00 p.m.

ITEM 18

REQUEST FOR CONTINUANCE OF PUBLIC HEARING AND PUBLIC MEETING FOR RENEWAL OF DEL MAR TOURISM BUSINESS IMPROVEMENT DISTRICT (DMTBID) (MOSIER/SINNOTT) (Clerk's File No. 201-10, 405-10)

Administrative Services Director Andrew Potter provided the staff report. He reported that since July 2015, the City Council has been discussing the renewal of the Del Mar Tourism Business Improvement District (TBID). He indicated that Council Members Sinnott and Mosier had requested that the public meeting be continued to September 21, 2015 and the public hearing be continued to October 19, 2015. He described City Council Policy No. 311, "Request for Continuance of Agenda Item by Member of the City Council. He reported that staff had provided a red-dot staff report indicating that if continued, the public meeting would be conducted on September 21, 2015 and the Public Hearing would be conducted on October 19, 2015.

Mayor Corti requested that the item not be continued based on concerns about what the Council will gain if the issue was delayed. He felt that the Finance Committee did a good job looking at TBID. Mayor Corti asked for a five-year renewal with termination language.

Council Member Mosier expressed his opinion that further discussion was warranted and supported continuing the item. He expressed disappointment in the TBID financial reports. He questioned if the Finance Committee had met with the hotelier's or Council liaisons.



City of Del Mar



PLANNING COMMISSION
STAFF REPORT
November 10, 2015

Note: This meeting will provide an opportunity to hear public input and for Planning Commissioners to vet and discuss the issues related to short-term rentals. Although a set of draft ordinances has been prepared for review and to help frame discussion, the Planning Commission will not take any formal action at this meeting. The public input and Commission discussion will be used by staff to hone the draft ordinances for review at the future Planning Commission meeting. The Commission's role in the code amendment process is to make recommendations to the City Council which is the body that would ultimately review and decide on enacting any code amendments. That City Council review is tentatively scheduled for early 2016.

APPLICATIONS: Zone Code Amendment ZA-10-01 and Municipal Code Amendment A15-001

REQUESTS:

ZA15-002, A request to amend Del Mar Municipal Code (DMMC) Chapters – 30.10 (R1-40), 30.11 (R1-14), 30.12 (R1-10), 30.13 (R1-10B), 30.14 (R1-5) 30.15 (R1-5B), 30.16 (RM-East), 30.17 (RM-West), 30.18 (RM-Central), 30.19 (RM-South), 30.20 (R2), 30.21 (Residential Commercial), 30.22 (Central Commercial), 30.24 (North Commercial) and 30.25 (Professional Commercial) to specify that where a dwelling unit is allowed by right in a zoning district, such dwelling unit may be leased for long-term rentals of more than 30 days and may also be leased for short-term rentals of 30 days or less, with short-term rentals subject to compliance with any applicable short-term rental regulations or permit requirements of the DMMC. Also, a request to amend the definitions of the terms Dwelling and Dwelling Unit, as contained in DMMC Section 30.04.040 “D” Words and Phrases Defined; to add a definition for the term “Long-Term Rental” in DMMC Section 30.04.120 “L” Words and Phrases Defined; to add a definition for the term “Good Neighbor Policy” in Section 30.04.170 “G” Words and Phrases Defined; and to add a definition for the term “Short-Term Rental” in Section 30.04.180 “S” Words and Phrases Defined.

A15-001 A request to amend Title 9 of the Municipal Code to establish a new Chapter, 9.39, regarding the regulations for short-term rentals, including a requirement for receipt of a permit to operate a short-term rental.

APPLICANT: City of Del Mar

ZONES: 30.10 (Residential R1-40), 30.11 (R1-14), 30.12 (R1-10), 30.13 (R1-10B), 30.14 (R1-5), 30.15 (R1-5B), 30.16 (RM-East), 30.17 (RM-West), 30.18 (RM-Central), 30.19 (RM-South), 30.20 (R2), 30.21 (Residential Commercial), 30.22 (Central Commercial), 30.24 (North Commercial) and 30.25 (Professional Commercial) and citywide for the definitions of the terms Dwelling, Dwelling Unit, Good Neighbor Policy and Short-Term Rental.

EXECUTIVE SUMMARY:

The City of Del Mar is in the process of considering two separate but related ordinances for a set of Municipal Code amendments to address the issue of short-term rentals; short-term rentals being the leasing of a residence, or portion thereof, for a period of 30 days or less. Some of the amendments (ZA15-002) would modify sections of the City's Zoning Code (Title 30 of the DMMC) to specify the zoning districts in which short-term rentals may be operated. Related amendments (A15-001) would create a new Chapter in the municipal code regulating the manner in which short-term rentals may be operated and also establishing a permitting process for operation of short-term rentals. The proposed code amendments are discussed in detail in subsequent sections of this report.

City Council Review and Preliminary Direction on Short-Term Rentals

The City Council first discussed the issue of short-term rentals at its budget session in June of 2009 and discussed the potential for amending the Municipal Code to address short-term rentals. However, no formal action was taken.

The issue was more recently reviewed by the Council at its July 15 and September 8, 2015 meetings. The Council heard testimony with a variety of opinions expressed. At that meeting, the Council discussed the issue and directed staff to begin processing a set of code amendments to allow and regulate short-term rentals. Using a worksheet supplied by staff, the Council also provided preliminary direction on some of the parameters for regulating short-term rental to be included in a draft ordinance. A copy of the referenced worksheet is included in Exhibit A. The copy includes a synopsis of the City Council's input on the various policy topics listed in the worksheet. In some cases, there was consensus amongst the four Council members present at the September 8th meeting. On other issues, there were differing positions and, in some cases, the Council members did not provide specific direction but suggested that the issue be vetted as part of the formal code amendment process. The Council meeting minutes are included in Exhibit B.

The Council input and preliminary direction was used by staff in preparing the draft code amendment language now being presented for Planning Commission review. It is important to note that the September 8th City Council direction was preliminary. It was recognized that, with additional public input and review by the Planning Commission, the draft ordinance that is ultimately presented to the Council as part of the formal code amendment process may include different policies and regulatory parameters than were discussed by the Council on September 8th.

As part of its review of the proposed code amendments, the Commission is asked to make recommendations on some of the key policy issues for short-term rental regulation which are largely related to protection of community character. These include:

1. Whether the short-term rental regulations should be the same for all zoning districts within the City, or if the character of different areas of the community warrant their own regulations.
2. Whether there should be a minimum stay duration for short-term rentals and, if so what duration.
3. Whether there should be a maximum number of days per month or per year that a short-term rental may be operated;
4. Whether, in addition to limitations on the number of (overnight) occupants of a short-term rental, there should be limitations on the number of non-staying visitors they may have.

To help with discussion on these issues, the draft ordinance for the new code chapter (Exhibit E) includes alternative code language options for consideration. The alternatives are highlighted in yellow.

BACKGROUND

Short-Term Rentals

Short-Term Rentals, also called vacation rentals, are common in visitor-destination areas such as beach communities. The basic concept is that the owner of a residence rents the home, or portion thereof, generally for a period of 30 days or less. They are often seen as a more flexible and lower-cost alternative to hotel lodging.

Existing Zoning Limitations and Definitions

Generally, unless a use is included amongst a list of allowed uses in a zoning district, it is not a permitted use. Currently, none of the City's zoning districts either defines or lists short-term rentals as an allowed use, although none of the residential zones expressly prohibits the rental of a dwelling. In some cases, such as those code sections related to the City's Housing Element, the rental of a dwelling is specified as an allowed use. Some residential zones also list the renting of one room to not more than one person" as an allowed use but with no reference to duration. The term "transient" is not defined in the zoning code.

Regardless of existing Code parameters and limitations, a number of residential units in Del Mar have been operated as short-term rentals, a practice which likely predates the City's incorporation. But there has been a marked increase in such use over the last decade. In most cases, the rental is offered for the entirety of a structure, rather than for a bedroom or other portion of a home. Exhibit C includes a map with information on the number and general locations of short-term rentals being operated in the community. The information is based on advertisements posted at properties and the *VRBO* and *airbnb* websites. The research shows that there are roughly 130 dwellings in the City advertised in the *VRBO* website as being available at some point in the year for short-term rentals and another 13 structures listed on

the *airbnb* website. The sites are scattered in various zones but with the highest concentration in the City's North Beach area.

Concerns Expressed by Community Members

In the past few months, a number of community members have expressed concerns about the impacts of short-term rentals on the character of their respective neighborhoods. The primary concerns raised include: 1) noise; 2) trash; 3) parking; and 4) an overall change to the feeling of an area when homes are consistently occupied by visitors to the community rather than by residents. These concerns have been: expressed directly to staff; included in letters in local newspapers; and presented during oral communication at a recent City Council meeting.

The issues related to short-term rentals are not unique to Del Mar. The concerns noted above have also been raised in many other jurisdictions in the state, the nation and even internationally. The overall concern involves the behavior of short-term tenants who are in "vacation mode," with particular concerns about noise and parking impacts.

Concerns have also been raised that, because of their potential revenue generation, properties are being purchased and "purposed" specifically for short-term rentals, with a resulting decrease in the community's stock of (long-term) rental housing. As a related note, efforts in other communities to regulate and limit short-term rentals have faced opposition from owners of property who rely on the short-term rental's income stream.

Types of Short-Term Rentals and Common Operation/Advertising Practices

Typically, short-term rentals fall into two categories: 1) the rental of the whole of a residence for a limited period; and 2) the rental of a bedroom or other portion(s) of a home, also for a limited duration. There are a variety of methods being used to advertise and operate short-term rentals. Some property owners do their own advertising, leasing and management. Others use a website for advertising and booking (hosting platform), but handle their own management. Others use an agency to manage all of these functions.

Short-term Rental Standards Used by Other Jurisdictions

Exhibit D includes a matrix with information about the rules, or lack thereof, on short-term rentals applied by other popular visitor-serving destinations. The information categories in the matrix include:

1. Whether short-term rentals are an allowed use;
2. Authorization/Permit processes;
3. Applicable manner and use requirements and limitations; and
4. Notes on the status of regulations or on any particular issues that have arisen in that community

Although not within the scope of this agenda item, the matrix also includes a column indicating whether the jurisdiction applies a Transient Occupancy Tax (TOT) on short-term rentals.

DISCUSSION:

Although no formal action will be taken at this meeting, the Commission will ultimately be asked to make recommendations to the City Council on whether the Municipal Code should be modified to specify that short-term rentals are an allowed activity at the site of a dwelling unit and also on whether to establish a new chapter in the Code with regulations on how short-term rentals are to operate.

Two separate but related Municipal Code amendment applications have been “batched” for Planning Commission review. Zone Code Amendment application ZA15-002 would modify each of the City’s zoning districts in which residential uses are allowed to specify the short-term rentals are an allowed use of dwelling units, provided they comply with City regulations on the operation of short-term rentals. The amendment would also create definitions to define and distinguish between short- and long-term rentals.

Amendment application A15-001 would create a whole new chapter of the Municipal Code regulating short-term rentals. The draft Chapter includes regulations on the operation of short-term rentals that are intended to protect the community against the type of adverse impacts recently cited by the public. It would also establish a permitting process as a means to review proposals for short-term rentals and apply conditions to ensure that they would comply with applicable regulations.

In preparing the language for the new Chapter 9.39, staff considered those quality of life issues typically considered by Del Mar and also reviewed the approaches used other jurisdictions in response to the growing popularity of short-term rentals.

In summary, the language proposed for a new chapter in the Municipal Code (9.39) would:

- Describe the purpose of the new chapter, that being to: 1) protect the health, safety and general welfare of the residents of Del Mar; 2) ensure compliance with the Del Mar Community Plan; and 3) guard against possible adverse impacts such as: excessive noise, disorderly conduct, accumulation of refuse, overcrowding or changes to the character of the surrounding area that are sometimes associated with unregulated, transient rental uses.
- Create a permit process so that the locations of short-term rentals would be documented and to provide a means by which the owners and operators are made aware of and acknowledge the rules applicable to short-term rentals.
- Create a set of standards for the Planning Director to use in making a determination on applications for Short-Term Rental Permits.

- Create a set of operational requirements for short-term rentals, including requirements that the owner and operator:
 - Maintain the premises in a clean and safe condition;
 - Conduct the rental in compliance with all applicable laws and local ordinances;
 - Protect the quiet and good order of the premises and avoid having the surrounding neighborhood disturbed;
 - Comply with applicable fire safety and building safety codes;
 - Set and limit the number of cars at the premises and make sure that the designated on-site parking is available for occupants and their guests, rather than being set aside for the property owner or others;
 - Comply with trash regulations and pick-up schedules; and
 - Take measures to guard against “party houses” that result in excessive noise, disorderly conduct, overcrowding or illegal drug or alcohol-related activities.

The language of the new code chapter would also:

- Create a process by which a concerned party would have access to contact information and could register a complaint with the owner and/or operator of the Short-Term Rental to make them aware of concerns about the activities at the site; and
- Require the owner and/or operator to respond to the complaint and take actions to correct any violation.

Finally, the new Chapter would contain provisions to:

- Require the owner of the short-term rental to submit a deposit that could be used by the City to support the costs of code enforcement;
- Fine the property owner or operator for continued violations.
- Revoke a Permit if the conditions of the Permit or the regulations of the Code Chapter are violated; and

Again, the various sections of the proposed new chapter of the Code are intended to accommodate but regulate the operation of short-term rentals. A copy of the proposed new code chapter is included in Exhibit E as an attachment to cover ordinance.

Code Amendment to Identify Zoning Districts that Allow Short-Term Rentals

In this amendment staff is recommending that the Allowable Use provisions of many of the various zoning districts within the City be modified to stipulate that in a zone where residential uses are listed as an allowable use, one of the activities that is allowed at an authorized dwelling is the operation of a short-term rental. However, that use would be

allowed only if the activity is permitted and operated in compliance with the [other] applicable sections of the Municipal Code. Such compliance would include conformance with the standards and permit requirements proposed in the new code chapter described above regulating short-term rentals.

Specifically the proposed amendment would add a new subsection to each of those zoning designations within the City that currently allow dwelling unit(s) on a property by right. The new subsection would be listed in that section of the Chapter entitled: Allowable Uses.

The new subsection would read as shown below, with the particular subsection number and letter inserted in accordance with the numbering and lettering sequence of that particular zone code chapter.

The Zoning Chapters that would be modified to include the new subsection are listed below. They include all of the City's zoning designations where a dwelling is listed as a use by right (vs. as allowable subject to receipt of a Conditional Use Permit or other discretionary action).

List of Zone Chapters to be modified by the inclusion of the referenced subsection under allowable uses:

30.12 (Residential R1-10), 30.11 (R1-14), 30.10 (R1-40), 30.13 (R1-10B), 30.14 (R1-5), 30.15 (R1-5B), 30.16 (RM-East), 30.17 (RM-West), 30.18 (RM-Central), 30.19 (RM-South), 30.20 (R2), and 30.21 (Residential Commercial).

Each of the proposed modifications is shown in the draft Ordinance in Exhibit F.

Alternatives to staff's suggested broad-based allowance of Short-Term Rentals

As mentioned, different jurisdictions approach the issue of short-term rentals in different ways. The matrix in Exhibit C provides information on those approaches and even the information in that matrix is changing as communities re-evaluate their ordinances.

As can be seen in the matrix, some jurisdictions have taken the approach that short-term rentals are allowed only in selected areas of their cities. For example, they may allow them in commercial districts or higher-density areas but prohibit them in single-family residential zones. The rationale used is that transient use would have a greater impact on the character of single-family residential neighborhoods than on the character of multi-family zones. A third approach taken by some jurisdictions has been to prohibit short-term rentals in any zone.

The difficulty with the latter approaches described above is that the Coastal Commission has stated that prohibitions or selective identifications of where transient use may be located run counter to Coastal Act policies because it limits opportunities for people from inland areas to visit shoreline destinations. The entirety of the City of Del Mar is located in the Coastal Zone.

Based on the preliminary direction provided by the City Council at its September 8, 2015 meeting the draft code amendments have been written to allow short-term rentals but with an extensive set of regulations on how they operate.

Other Related Zone Code Modifications

In association with changes to the individual zoning districts discussed above staff is also suggesting related amendments to the definition of the terms “Dwelling Unit” as then appears in DMMC Zoning Chapter 30.04-Definitions. These amendments are intended to address any inconsistencies of language in the definitions chapter.

Staff is also commending the addition of a new definition “Short-Term Rental.” To ensure internal consistency with the Municipal Code a number of other “clean-up” amendments would be appropriate if the subject short-term rental amendments are ultimately adopted. For example, there are some archaic references to boarding houses and lodging houses that should probably be removed from the Code.

Zone Code Amendment review process

In terms of review processes, the proposed amendments to the Zoning Code involve a recommendation by the Planning Commission to the City Council, the City’s legislative arm.

REQUIRED FINDINGS FOR APPROVAL OF ZONE CODE AMENDMENT(S):

Municipal Code Section 30.86.220 requires that an action to amend the provisions of the Zoning Code be accompanied by the three specific findings shown below. Staff has not provided a set of findings for each of the amendments at this time. Instead, staff will be prepared to assist the Commission with the findings at a subsequent meeting, when the Commission is prepared to make recommendations on the code amendments.

C. Required Findings to Grant. Each determination to grant or recommend the granting of an amendment to this Chapter shall be supported by written findings of fact showing specifically how the determination meets the following criteria and requirements:

- 1. That there are changed conditions since the previous zoning became effective to warrant other or additional zoning;**
- 2. That the granting of such zoning will be in the interest or furtherance of the public health, safety, comfort, convenience and general welfare, and will not adversely affect the established character of the surrounding neighborhood, nor be injurious to other properties in the vicinity in which the rezoned property is located;**

3. That the granting of such zoning conforms to the general purpose, planned use and intent of the adopted Community Plan, or any ordinance, regulation, or plan in effect to implement said Community Plan.

ENVIRONMENTAL STATUS:

This proposed Municipal Code amendments have been reviewed under the California Environmental Quality Act (CEQA). The amendments would specify that the use of an existing dwelling for either a long-term or short-term rental is allowed in zones where residential uses are allowed by right. A related amendment would establish operational standards and a review process for short-term rentals. The proposed code amendments are exempt from environmental review pursuant to Article 18, Section 15303 of the California Environmental Quality Act Guidelines (conversion of use of structures).

Correspondence:

Correspondence submitted for this Planning Commission hearing is included in Exhibit G.

Recommendation:

Staff recommends that the Commission conduct a public hearing to gain public input. Staff recommends that Commissioners then discuss the issues, provide preliminary feedback and continue the item to a future Commission meeting.

Respectfully submitted,



Adam Birnbaum,
Planning Manager

Attachments:

- Exhibit A - City Council Short-Term rental Worksheet recap
- Exhibit B - City Council meeting minutes 9/8/2015
- Exhibit C - Matrix on short-term rental rules (or lack thereof) applied by other jurisdictions
- Exhibit D - Information on locations of vacation rentals in Del Mar
- Exhibit E - Ordinance for new DMMC Chapter 9.39 (A15-001)
- Exhibit F - Ordinance amending residential zoning districts and definition chapter (ZA15-002)
- Exhibit G - Correspondence

Recap of Council Comment on short-term rental policy discussion worksheet

At its September 8, 2015, meeting, the City Council used the worksheet shown below to provide guidance to staff on whether to pursue a set of Municipal Code amendments to allow and regulate short-term rentals and, if so directed, to provide preliminary guidance on the approaches on the regulatory parameters to be included in such code amendments. This exhibit shows the questions asked of City Council in the worksheet and a synopsis of the Council's comments on each question. The original worksheet language, including the notes provided by staff on some of the issues, is shown in Arial font. The re-cap of Council comments is shown in this Times New Roman font.

Short-Term Rental Policy Discussion Worksheet

The flowing list of topics is intended to help facilitate City Council discussion on whether a code amendment should be pursued and, if so, to provide preliminary policy direction on the types of standards, requirements and procedures staff should include in a draft ordinance.

1. Issue: Should the Municipal Code be amended to allow and regulate short-term rentals? If so, consider questions 2-9.

City Council Comments/Direction:

There was consensus to direct staff to commence preparation of a set of code amendments for review by the Planning Commission and City Council

2. Issue: Locations in which short-term rentals would be allowed

Should short-term rentals be allowed in:

- A. Only certain geographic areas of the community?
- B. Any residential zone?

City Council Comments/Direction:

There was consensus that short-term rentals should be listed as an allowed use in each of the residential ones but with the caveat that it may be appropriate to apply different regulatory controls for different zoning districts. For example, the regulations might be different for the R-1-10 zone in the City's hillside area than for the residential zones in the City's North Beach area (R1-10B, R1-5B, RM East and RM-West Zones)

Should short-term rentals be allowed in:

- A. Single family homes,
- B. Duplexes, and/or
- C. Multi-family structures?

Notes: Some of the previous comments received included suggestions that short-term rentals be allowed only in near-shore areas. Others suggested that they not be allowed in areas zoned for single-family use. If both parameters were applied, it would severely limit the area in which they could operate.

3. Issue: Minimum durations of stay

Should there be a minimum duration for lease of a short-term rental?

Common minimum-stay durations set by other communities include:

- A. Three days
- B. Five days
- C. Seven days
- D. 30 days

City Council Comments/Direction:

The Council did not come to consensus on this issue. The majority of the Council members present felt a minimum-stay duration of between seven and 10 days was appropriate for the beach area where there has historically been a higher concentration of short-term rentals and perhaps a longer minimum stay duration, even as long as 30 days, for low density residential areas farther removed from the beach. One Council member felt that a minimum-stay requirement was not the appropriate way to address potential impacts on neighbors and that other mechanisms, such as a Good Neighbor Policy, would be a better approach. The Council was also advised by staff that the California Coastal Commission, based on their charge to protect and enhance public access opportunities to the coastline, has taken issue with local jurisdictions requiring what they describe as unduly long minimum-stay requirements for short-term rentals.

4. Issue: Maximum occupancy limits

Should there be maximum tenant occupancy?

Notes: Frequent approaches include a limit of occupancy based on a standard of not more than two persons per bedroom. Some jurisdictions apply the per bedroom limitation plus an overall maximum on the number of persons, regardless of the number of bedrooms in the home. Some jurisdictions include overnight occupancies and limits on the number non-leasing visitors.

City Council Comments/Direction:

There was consensus that a maximum occupancy limit should be applied with a limit of two persons per bedroom, plus two additional persons. There was also discussion of limiting the maximum occupancy based on the amount of parking provided at the property. There was no specific ratio identified (e.g. how many occupants per vehicle parking space available) but there was direction that some occupancy to parking standard should be included for consideration in a draft ordinance.

5. Issue: Limits on frequency in which a structure may be offered for short-term lease

Should there be a limit on the number of days per week, month or year that a structure may be used as a short-term rental?

Note: Approaches used by some other jurisdictions include monthly and/or yearly caps.

City Council Comments/Direction:

The Council did not come to consensus on this issue but felt that there should be some options for consideration in the draft Ordinance to guard against properties in residential zones operating full time as de-facto hotels.

6. Issue: Short-term rental of portions of structures

For rentals of portions of a home, should there be a limitation that portions of residences be available only when the home-owner is present?

Notes: The intent of the requirement for owner's presence is to foster neighborly behavior. The airbnb website generally offers three types of lease agreements: a) entire structure; b) private room; and c) shared room.

City Council Comments/Direction:

There was consensus that there should be a requirement that where a portion of a residence, vs. an entirety of a residence, is rented on a short-term basis, the owner of the property, or a long-term lessee of the property, must be present.

7. Issue: City Authorization/Permit Required

Should a short-term rental be subject to prior receipt of a City permit or other form of authorization?

- A. If so, should there be an annual renewal requirement?
- B. Should the authorization be:
 - 1) Ministerial, wherein approval is granted if the application complies with the quantifiable standard of review?; or
 - 2) Discretionary, where approval is subject to case-by-case review?
- C. Should owners/operators be subject to, or exempt from, receipt of a separate Business License or other permit fee?

Note: If the standards in the ordinance are clear, requiring a discretionary review (item B above) would seem inappropriate.

City Council Comments/Direction:

There was consensus that operation of a short-term rental should be subject to the receipt of a City-issued permit. There was also consensus that the permit review should be ministerial rather than discretionary (issued by staff if the application meets all the applicable criteria). There was also consensus that there should be a mechanism to ensure that the residence to be leased is compliant with fire-safety and building standards.

Issue: Enforcement

Should violation of a short-term rental ordinance carry penalties such as:

- A. Fines
- B. Hearing for possible revocation of permit (if such ultimately required)
- C. Forfeiture of right to operate the short-term rental for a specified period

Notes: If a new set of code requirements is established for short-term rentals there may be an increase in potential violations, with a resulting need to allocate staff resources for education and effective enforcement. A deposit system could be applied wherein the City could draw against the deposit, as necessary, to offset the costs of enforcing a violation of the short-term rental approval. The deposit system would also provide an incentive for the property owner, manger and tenant to comply with the short-term regulations.

City Council Comments/Direction:

There was consensus that a robust code enforcement program was critical to having an effective approach to short-term rentals and that a complete array of the enforcement measures, including a code enforcement security deposit, should be included in the ordinance and described in the permit application process.

8. Issue: Good Neighbor Policy

- A. In addition to regulatory standards, should a Good Neighbor Policy be established?
- B. Should the Policy be applicable solely to short-term or all homes?

City Council Comments/Direction:

There was consensus that a Good Neighbor Policy would be helpful as an adjunct to codified regulations. There was not particular discussion on whether such the Good Neighbor Policy should be provided to all types of rentals. That determination could be made at the time the Council reviews the Good Neighbor Policy document itself.

10. Assumed measures for inclusion in code amendment

If direction is given to proceed with a code amendment, it is recommended and assumed that the following topics would be addressed in a draft ordinance.

- A. Requirement that emergency 24-hour contact information of the owner, operator and manager (as applicable) be posted conspicuously, both at the interior and exterior of the structure, with requirement for response within 45 minutes
- B. Requirement that adequate trash collection bins be available and that applicable trash-collection schedules be observed
- C. In-home posting of any established Good Neighbor Policy adopted by the City, with distribution to owners, leasing/booking agents, operators and tenants
- D. Requirements related to the availability of on-site parking spaces, including a prohibition or limitations on over-sized vehicles

City Council Comments/Direction:

There was consensus that each of the listed measures should be included in the draft ordinance.

~~CITIZENS' ADVISORY COMMITTEE ON A QUARTERLY BASIS, AND ALLOW THE COMMITTEE TO CONTINUE WITHOUT ANY AMENDMENTS TO THE MEMBERSHIP IN ORDER TO REVIEW RESULTS FROM THEIR WORK PRODUCT. MOTION PASSED 3-1-0, WITH MAYOR CORTI OPPOSED AND COUNCIL MEMBER SINNOTT ABSENT.~~

RECESS AND CALL TO ORDER - 9:15 P.M.

Mayor Corti recessed the meeting at 9:15 P.M. and called it back to order at 9:29 P.M. All Council Members were present, except Council Member Sinnott.

ITEM 17

POLICY DISCUSSION AND DIRECTION TO STAFF REGARDING A CODE AMENDMENT TO ADDRESS THE RENTAL OF RESIDENTIAL PROPERTIES, BOTH LONG-TERM AND FOR DURATIONS OF 30 DAYS OR LESS (SHORT-TERM RENTALS) (Clerk's File No. 301-19)

Planning Manager Adam Birnbaum provided the staff report and PowerPoint presentation. He provided a synopsis of the long-term and short-term rentals in Del Mar and the concerns that a large number of short-term rentals may change the community character. He noted listings on VRBO and Airbnb, of which there were 130 in Del Mar, 13 of which were for properties renting a portion of a property. He noted Coastal Commission considerations and reviewed the intent of Good Neighbor Policies. He explained the Municipal Code amendment process and sought preliminary direction to pursue a Code Amendment and policy direction.

Mayor Corti opened the item to public comment and the following people spoke:

Scott Renner, Via Alta
Toni Cieri, 20th Street
Robin Crabtree, 25th Street
Debbie Church, 27th Street
Richard LoGiurato, 21st Street
Tanys Evangelisti, Camino del Mar
Barbara McRoskey, 26th Street
Peter McRoskey, 26th Street
Tyneal Simon, no address provided
Jeff McGuire, 9th Street
Rory Revier, S. Cedros Avenue, Solana Beach
Austin Birch, Camino del Mar
Kimberly Jackson, Camino del Mar

Lory Sharp Trombly, 25th Street
Ed Yuskiewicz, Coast Boulevard
Tom Davis, Ocean Front
Bruce McDermott, 25th Street
Ken Assi, Zapo Street
Stephen Scola, Melanie Way
Gina Mattern, Camino del Mar
John Freis, 11th Street
Tony Varano, 10th Street
Nancy Doyle, 26th Street

Mayor Corti noted additional speaker slips for those who did not wish to speak, but supported regulations:

Sandi Weaver, 19th Street
Bill McDermott, 25th Street
Camilla Rang, 10th Street
Brenda Sampiere, 26th Street
Gale Keel, Camino Del Mar

Council reviewed and discussed each question in Attachment A to the Staff Report (Short-Term Rental Policy Discussion Worksheet) and provided direction to staff to prepare a Municipal Code amendment and policy direction on parameters to be included in the ordinance to allow and regulate short-term rentals.

Council supported having different regulations for different geographic areas in the City, but not be limited based on structure size. Council noted that parking availability may be an issue. In relation to minimum duration of stay, several Council Members expressed support that the Beach Colony have a minimum duration of seven to ten-days and a thirty-day minimum duration in the Hillside area. Council Member Mosier expressed opposition to limits and advocated the need for a Good Neighbor Policy and occupancy limits. In relation to maximum occupancy limits, Council supported two individuals per bedroom plus two extra daytime visitors with the suggestion that occupancy limits be in correlation to the number of parking spaces available. In relation to limits on frequency in which a structure may be offered for short-term lease, Council discussed the need to accommodate different models, and the differences between having an owner on-site or an absent landlord. Council also discussed the suggestion where all negative aspects of turnover should be addressed to ensure that neighborhoods do not turn into hotels. In discussing short-term rental of portions of structures, Council supported the

intent of the requirement for owner's presence or long-term leasees's presence. In relation to City Authorization/Permit required, Council supported a ministerial application with an additional public safety component. In relation to enforcement, Council supported a robust enforcement process. Council also supported establishing a Good Neighbor Policy. Council supported the additional items for inclusion in the Code Amendment, such as contact information for the owner/manager, trash collection, posting of the Good Neighbor Policy, and parking restrictions.

Mayor Corti called the question as to whether the Council should continue the meeting past 11:00 p.m. All Council Members present were in support of continuing the meeting past 11:00 p.m.

ITEM 18

REQUEST FOR CONTINUANCE OF PUBLIC HEARING AND PUBLIC MEETING FOR RENEWAL OF DEL MAR TOURISM BUSINESS IMPROVEMENT DISTRICT (DMTBID) (MOSIER/SINNOTT) (Clerk's File No. 201-10, 405-10)

Administrative Services Director Andrew Potter provided the staff report. He reported that since July 2015, the City Council has been discussing the renewal of the Del Mar Tourism Business Improvement District (TBID). He indicated that Council Members Sinnott and Mosier had requested that the public meeting be continued to September 21, 2015 and the public hearing be continued to October 19, 2015. He described City Council Policy No. 311, "Request for Continuance of Agenda Item by Member of the City Council. He reported that staff had provided a red-dot staff report indicating that if continued, the public meeting would be conducted on September 21, 2015 and the Public Hearing would be conducted on October 19, 2015.

Mayor Corti requested that the item not be continued based on concerns about what the Council will gain if the issue was delayed. He felt that the Finance Committee did a good job looking at TBID. Mayor Corti asked for a five-year renewal with termination language.

Council Member Mosier expressed his opinion that further discussion was warranted and supported continuing the item. He expressed disappointment in the TBID financial reports. He questioned if the Finance Committee had met with the hotelier's or Council liaisons.

Jurisdiction	Allowed use? Definition /Location Restrictions	Permit Process	Requirements and Limitations	Issues, Status, Problems	Transient Occupancy Tax (TOT) required?
Big Bear, City	Allowed Use: Single-family and multi-family residential districts. Transient private home rental (specific to homes in residential neighborhoods). Definition: "A dwelling unit, including either a single family detached or multiple family attached unit, rented for the purpose of overnight lodging for a period of not less than one night and not more than 30 days (other than on-going month-to-month tenancy granted to the same renter for the same unit)".	Secure a business license and register to pay TOT, pay for processing fee, undergo an inspection.	<ul style="list-style-type: none"> •Display Identification signs in and out of the building with name of the agency/person that can be reached on a 24-hour basis •Maximum number of occupants in the unit •Maximum number of vehicles parking on the site •Notify where trash needs to be disposed •Compliance with all health and safety codes required •Maximum number of person is 1 per 200 sq. ft. of building area excluding the garage •Occupancy can't exceed 16 people •Multiple site maintenance requirements for health and safety purposes •Parking must be on-site with 1 space per bedroom •No overnight on-street parking permitted 	Current movement by long time property owners to eliminate due to the explosion of vacation rentals in existing year-round neighborhoods.	10% of rent collected
Carlsbad, City	Allowed Use: Yes, in residential zones within the portion of the City in the California coastal zone. Definition: "rental of any legally permitted dwelling unit as that term is defined in Chapter 21.04, Section 21.04.120 of this code, or any portion of any legally permitted dwelling unit for occupancy for dwelling, lodging or sleeping purposes for a period of less than 30 consecutive calendar days in any residential zoning district".	Permit and Business License required	<ul style="list-style-type: none"> •Owner available 24/7 days to respond within 45 minutes to complaints •STVR Permit posted within plain view •No amplified sound after 10 p.m. or before 10 a.m. 		Yes -10%, collected TOT paid on a quarterly basis + \$1 per room per night Carlsbad Tourism Business Improvement District assessment.
Carmel, City	Allowed Use: No, Prohibited. Rentals of less than 30 days prohibited.	N/A	N/A	Dealt with by Code Enforcement. Pressure from time to time to offer but no recent changes to code.	N/A
Coronado, City	Allowed Use: No, Prohibited. However, Short-term vacation rentals are permitted in motels, certain lodging houses and a multi-family residential zone in their Orange Avenue Corridor Specific Plan. Definition: "Renting, letting, subletting, leasing or subleasing of a dwelling unit or a habitable unit for a period of 25 consecutive calendar days or less".	N/A	N/A		Yes - 10% of rent collected
Encinitas, City	Allowed Use: Yes, a short-term rental is only allowed for single-family and duplex uses in residential zones. The Zoning Code prohibits transient uses in residential zones with the exception of single-family and duplex uses. A condominium project or an apartment. [Prop. F – 8% short-term] Definition: "any structure or portion of any structure of occupancy for dwelling, lodging or sleeping purposes of 30 consecutive days or less".	The application fee is \$150 annually; each applicant must submit an application each year for each unit. No business registration is required. Applicants are required to submit a site plan and floor plan documenting the number of bedrooms and on-site parking spaces.	<ul style="list-style-type: none"> •Maximum of two persons per bedroom with an additional two occupant's •Display 24-hour phone number outside for complaints. •Number of cars specified by each permit •First violation in 12-month period \$250 fine and warning, fines increase on subsequent violations. First fine cost \$1,000 and possible permit revocation 		Yes - 10% of rent collected
Hermosa Beach, City	Allowed Use: Yes, allowed in commercial zones.	Permit Required	<ul style="list-style-type: none"> •Short term rentals of less than 30 days are not allowed except in commercial zones when all permits have been obtained 		No, because 30 day duration is not considered transient.
Imperial Beach, City	Allowed Use: Yes, in C-1, C-2 and MU-2 Zones (Beach front area). Definition: "Commercial use by any person of residential property for transient lodging uses where the term of occupancy, possession or tenancy of the property by the person entitled to such occupancy, possession or tenancy is less than thirty (30) consecutive calendar days".	Short-term rental permit required (\$100) + Business License	<ul style="list-style-type: none"> •7 day minimum rental •Present proof that the CC&R's do not prohibit the short-term rental of dwelling units •Limit overnight occupancy to a specific number, with the number of occupants not to exceed that permitted by the provisions of Uniform Housing Code •Limit unreasonable noise or disturbances, disorderly conduct, or violations of provisions of the IBMC or any state law pertaining to the same •Post a notice in a location which is clearly visible that with a phone number available 24/7 to respond to complaints 		Yes - 13% of rent collected
Indian Wells, City	Allowed Use: Yes, in residential zones.	Permit Required + Business License	<ul style="list-style-type: none"> • Register with the City's STVR database •Local contact person available 24/7 for the purpose of responding within 1 hour to complaints •Maximum occupancy shall not exceed two (2) persons per bedroom with an exception for children under the age of six between the hours of 11:00 p.m. through 6:00 a.m. • Minimum stay of seven (7) consecutive days 		11.25% of rent collected
Laguna Beach, City	Allowed Use: Yes, in a variety of residential and commercial zones. Definition: A room or suite of rooms used for the residential use and occupancy of one family rented to person(s) other than the owner for a period of thirty (30) consecutive days or less.	Permit Required + Business License + A valid Transient Occupancy Registration Certificate	<ul style="list-style-type: none"> •Overnight occupancy of Short-Term Lodging Units shall be limited to a specific number of occupants, and the number of occupants shall not exceed that permitted by the Building and Fire Codes. •Occupants shall not create unreasonable noise and disturbances, engage in disorderly conduct or violate any laws, including those laws pertaining to collection and disposal of refuse, the consumption of alcohol or the use of illegal drugs. •Short Term Lodgings structures containing three or more units shall also collect a Business Improvement Assessment to the City. 		10% of rent collected

Exhibit C
 2015 Survey on Short-Term Rentals

Jurisdiction	Allowed use? Definition /Location Restrictions	Permit Process	Requirements and Limitations	Issues, Status, Problems	Transient Occupancy Tax (TOT) required?
La Quinta, City	Allowed Use: Residential areas. Definition: A privately owned residential dwelling, such as, but not limited to, a single-family detached or multiple-family attached unit, apartment house, condominium, cooperative apartment, duplex, or any portion of such dwellings, rented for occupancy for dwelling, lodging, or sleeping purposes for a period of thirty consecutive calendar days or less, counting portions of calendar days as full days; except any private dwelling house or other individually owned single-family dwelling house unit rented only once in a calendar year.	Permit Required + Application Fee(\$25)	<ul style="list-style-type: none"> Owner shall use reasonable business practices to ensure that the short-term vacation rental unit is used in a manner that complies with all applicable laws, rules, and regulations pertaining to use The number of occupants shall be limited depending on the number of bedrooms Local contact available 24/7 to respond within 45 minutes Ensure that the occupants of the short-term vacation rental unit do not create unreasonable disturbances, engage in disorderly conduct, or violate any applicable law, rule or regulation pertaining to use and occupancy of STVR No amplified sound shall be used outside between the hours of 10 p.m. and 1 p.m. Trash and refuse shall not be left stored in public view, except in proper containers No advertising signs on premises 		12% of rent collected
Manhattan Beach, City	Allowed Use: Not allowed under the City Zoning Doe and are incompatible with the goals and objectives of the City's General Plan. Definition: Transient use for a period of less than 30 days.	N/A	N/A		10% of rent collected
Mammoth Lakes, Town	Allowed Use: Yes, in Commercial, Residential Multi-Family 2, Resort, and Specific Plan zones. NOT PERMITTED in other residential zones including Residential Multi-Family 1, Residential Single Family, or Rural Residential zones. Definition: A "transient rental" is any unit that is occupied for the purposes of sleeping, lodging, or similar reasons for a period of 30 consecutive days or less in exchange for a fee or similar consideration.	Business Tax Certificate + Transient Occupancy Tax Certificate		Voter initiative to prohibit council from acting on the current prohibition of STVR in Single Family Residential Zones	13% of rent collected
Napa, City	Allowed Use: Yes, any zoning district. Definition: "Residential dwelling that allow for the lodging of guest for period of fewer than 31 days".	Vacation Rental Permit	Misc. Requirements	Adopted April 7, 2009	10% of rent collected
Napa, County	Allowed Use: No, vacation rentals prohibited.			Dealt with by Code Enforcement	
Oceanside, City	No current regulation.	Business License	<ul style="list-style-type: none"> Required to have a business license Pay Oceanside's 10 percent hotel room tax and a 1.5 percent fee to the tourism marketing district Any stay over 30 days is not considered a vacation rental and does not pay the room tax or marketing district fee 		10% of rent collected + 1.5% Fee to the tourism marketing district
Pacific Grove, City	Allowed Use: No, prohibited. STVR were allowed for a period of time but City Council passed an urgency ordinance prohibiting issuance of new permits for short term rentals.			Ordinance under consideration	8% of rent collected
Paso Robles, City	Allowed Use: Single-family, multi-family and mixed use facilities. Definition: "Transient occupancy of a residential structure in either a single-family, multi-family or mixed use facility".	Conditional Use Permit from the Planning Commission, business license and TOT registration	<ul style="list-style-type: none"> No more than two (2) persons per bedroom Two (2) off street parking spaces per residence No advertising signs on-site Compliance with City health and safety requirements Designation of a local property manager or owner available 24 hours a day Inspection by the fire marshal prior to use of residence as a vacation rental 		10% of rent collected
Saint Helena, City	Allowed Use: No, vacation rentals prohibited.			Dealt with by Code Enforcement	30 days or less. Levied at a rate of 10% or 8% depending on location of rental unit
San Clemente, City	Allowed Use: Yes, any zoning district Definition: "Hotel" means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy for short-term, temporary, or impermanent lodging or sleeping purposes, including any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location or other similar structure or portion thereof.	Transient Registration Occupancy Permit	<ul style="list-style-type: none"> Register with the City A 10% Tax must be collected and remitted to the City for vacation property rentals Quarterly reporting of rental activity is required 		10% of rent collected
San Diego, City	Allowed Use: No Current Regulation. Proposed Definition: "The incidental transient occupancy of a dwelling unit for any time period of less than 30 consecutive calendar days".	N/A	<p>Proposed</p> <ul style="list-style-type: none"> The number of occupants, shall not exceed reasonable occupancy standards of two per bedroom plus two Display notice within plain view of the general public The local contact person shall be available 24/7 Upon notification of a disturbance, the host shall respond within 60 minutes Failure to respond to two or more complaints regarding transient violations is grounds for penalty If advertising online, the host must list their TOT certificate number within the advertisement 		10% of rent collected
San Francisco, City	Prohibits rental of homes for 30 days or less but portions of home may be rented on short term basis if occupants present.			Regulations have been shifting	

Exhibit C
 2015 Survey on Short-Term Rentals

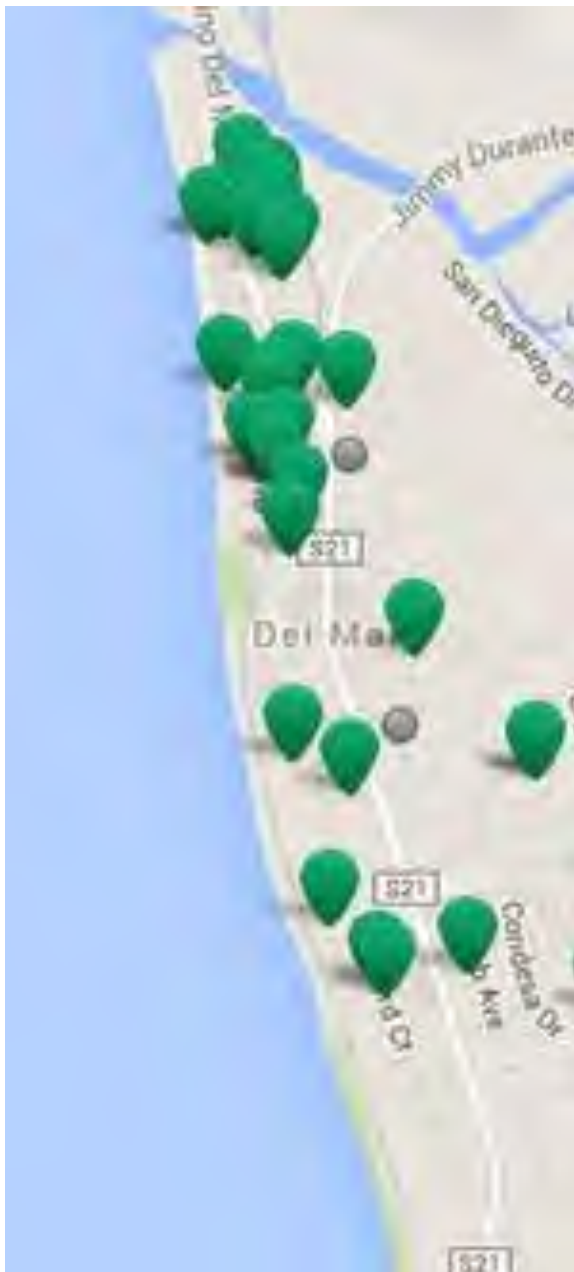
Jurisdiction	Allowed use? Definition /Location Restrictions	Permit Process	Requirements and Limitations	Issues, Status, Problems	Transient Occupancy Tax (TOT) required?
San Luis Obispo County, Cambria Area	Allowed Use: Yes, within all residential areas. No vacation rentals shall be located within 200 linear feet of a parcel on the same block on which is located any residential vacation rental or other type of visitor serving accommodation that is outside the commercial land use category. Definition: "A residential vacation rental is the use of an existing residence as a rental for transient use. This does not include the rental of the entire residence for periods of thirty days or longer".	Zoning clearance, business license, TOT registration	<ul style="list-style-type: none"> •Can't exceed one tenancy in 7 day period •May only be used as a vacation rental •Maximum number of occupants can't exceed 2 persons per bedroom plus an additional person •Must comply with the parking requirement of the zoning district •Unit can't change residential character of the area • No advertising signs on-site •Compliance with all county health and safety standards •Local contact/manager must be identified and submitted to the Sheriff's substation, local fire agency and property owners within 300 feet 	Occasional complaint by both homeowners and hoteliers.	12% of rent collected
Santa Cruz, City	The Ordinance is silent on this issue and allows rental of single-family homes as vacation homes so long as they remain as single-family dwellings.	Assessor's Office collects TOT tax.	Response by County Sheriff to complaints only. No second kitchens or other additions which would make it a second unity.	Occasional complaints.	
Santa Monica, City	Allowed Use: Yes, any zoning district. Definition: "Rental of any dwelling unit, in whole or in part, within the City of Santa Monica, to any person(s) for exclusive transient use of 30 consecutive days or less, whereby the unit is only approved for permanent residential occupancy and not approved for transient occupancy or Home-Sharing as authorized by Chapter 6.20 of the SMMC".	Development plan requirement/planning commission consideration, business permit and TOT registration.	<ul style="list-style-type: none"> •Ban on the rental of entire units as vacation rentals •The Home-Sharing Ordinance also legalized the short term rental of a portion of a person's home when the host lives on-site throughout the visitor's stay and when the host obtains a business license •Hosts are also required to collect and remit TOT if not collected and remitted by the hosting platform" •No advertising on site •Information related to emergency exit routes must be provided to occupants 		14% of rent collected
Solana Beach, City	Allowed Use: Allowed use in residential zoning districts for a period of seven to 30 consecutive days. Definition: "Rental of any structure or any portion of any structure for occupancy for dwelling, lodging or sleeping purposes for more than seven but no more than 30 consecutive calendar days in duration in a residential zoning district, including detached single-family residences, condominiums, duplexes, twinplexes, townhomes, and multi-family dwellings".	Short-Term Vacation Rental Application for each unit in which you purpose to conduct a Short-Term Vacation Rental. New Permit = \$110 Yearly Renewal = \$17 Duplicate Permit = \$17	<ul style="list-style-type: none"> •Rental for less than seven consecutive calendar days in duration in within all residential zoning districts is prohibited •Rentals of more than 30 consecutive days in duration in residential zoning districts are not required to obtain a short-term vacation rental permit •Owner/agent shall ensure that the occupants and/or guests of the short-term vacation rental unit do not create unreasonable noise or disturbances •Owner/owner's agent shall upon notification of complaint prevent a recurrence or such conduct by those occupants or guests shall respond to within 24 hours 		13% of rent collected
Solvang, City	Allowed Use: No vacation rentals in residential districts. Allowed in the tourist commercial districts only. Definition: "Transient occupancy of a residential structure in a residential district".	Development plan requirement/planning commission consideration, business permit and TOT registration.	<ul style="list-style-type: none"> •On-site parking •On-site manager 	The community would like to see visitors in their hotels.	9% of rent collected
Sonoma, City	Historic Overlay District	Use Permit	<ul style="list-style-type: none"> •Similar to existing Napa regulations •Manager on-site, etc. 	Occasional complaints.	10% of rent collected
Sonoma, County	Allowed Use: Vacation rentals not specifically allowed. Definition: "A property with a dwelling unit or guest house intended for permanent occupancy that is occupied by any person other than the primary owner for transient use; or is otherwise occupied or utilized on a transient basis. Vacation rental does not include a bed and breakfast inn permitted and operated in accordance with this Code, or occasional home exchanges that are not otherwise subject to TOT.	Zoning / Use Permit / Culture or Special Event	<ul style="list-style-type: none"> •Maximum of five (5) guestrooms or sleeping rooms •Maximum overnight occupancy of two (2) persons per sleeping room or guestroom, plus two (2) additional persons per property, up to a maximum of twelve (12) persons •On-site parking shall be provided (Number of spaces determined by # of guest rooms or sleeping rooms) *On-street parking may be considered •Must meet the General Plan Noise Standards contained below •No amplified sounds unless specifically permitted by a Cultural or Special Event Permit, or Use Permit •Owner must maintain a Transient Occupancy Tax License and remain current on all required reports and payments 	The County is currently reviewing this issue as it impact's their Housing Element Update. Dealt with by Code Enforcement.	10% of rent collected

Exhibit C
 2015 Survey on Short-Term Rentals

Jurisdiction	Allowed use? Definition /Location Restrictions	Permit Process	Requirements and Limitations	Issues, Status, Problems	Transient Occupancy Tax (TOT) required?
South Lake Tahoe, Nevada	<p>Allowed Use: No restrictions.</p> <p>Definition: "Vacation home rental" means one or more dwelling units, including either a single-family, detached or multiple-family attached unit, rented for the purpose of overnight lodging for a period of not less than 1 night and not more than 30 days other than on-going month-to-month tenancy granted to the same renter for the same unit".</p>	<p>Application submittal with number of bedrooms, maximum number of overnight occupants (which is calculated according to a formula), and number of on-site parking spaces. Requires the listing of a local contact person. A \$75 initial application fee (\$50 yearly renewal and change of ownership fee), plus a drawing or photograph showing the parking.</p>	<ul style="list-style-type: none"> •Max overnight occupancy is 2 persons per bedroom & 4 additional persons per residence •Overnight vehicles limited to on-site parking spaces •Contact info, copy of the permit and ordinance posted in public view •Post a 24/7 contact number to respond to complaints •Post max number of permitted occupants •Post max number permitted vehicles, and location of on-site parking spaces •Notify where trash needs to be disposed •Occupant may be cited and fined for creating a disturbance or for violating other provisions of the ordinance <p>Failure to comply – 1st: warning, 2nd: \$250 penalty, 3rd: \$500 penalty, 4th \$1,000 and/or suspension or permit, 5th: permit may be revoked. Within 12 month period a business license and bed tax required. Failure to comply - 1st: warning, 2nd: \$250 penalty, 3rd \$500 penalty, 4th \$1,000 and/or suspension or permit, 5th: permit may be revoked. Within 12 month period a business license and bed tax required.</p>	<p>Little year-round residential use of properties. Strong Property Management presence.</p>	<p>9% for accommodations at lodging and camping facilities in unincorporated areas of County</p>
Telluride Colorado, Town	<p>Allowed Use: Yes, allowed in the majority of the in-town residential districts, Hillside Transitional and Developing Historic Residential and Medium density.</p> <p>Definition: Short term rental is defined as a rental of 29 days or fewer.</p>	<p>Subject to a Business Permit</p>	<ul style="list-style-type: none"> •No more than twenty-nine (29) days, total in a calendar year •The structure contains only one (1) dwelling unit, or the dwelling to be rented is the primary structure when more than one (1) dwelling exists on a lot •The dwelling unit to be rented contains no more than four (4) bedrooms •There is a clearly-defined trash storage area and an adequate number of trash containers provided •Representative within the Town of Telluride, who is available 24/7 via phone to manage the property during any period the property is occupied •Name, address, and phone number of the owner representative shall be listed on the business license which is on file at Town 	<p>Mostly seasonal vacation rentals (winter, some summer). Hard to monitor. Requires neighborhood vigilance.</p>	<p>12% of rent collected</p>
Tiburon, City	<p>Allowed Use: No, rentals of fewer than 31 days prohibited.</p> <p>Definition: "Seasonal Rentals" are a dwelling unit that is rented on a repeated basis for less than 31 consecutive days, or is advertised or marketed on a repeated basis to be rented for any period less than 31 days.</p>	<p>Seasonal Rental Permit (\$100 initial Fee and a \$50 annual renewal fee) + Business License</p>	<ul style="list-style-type: none"> • Signs shall be installed/maintained in compliance with Municipal Code chapter 16A (signs). • On-site parking shall be provided as required for a single-family dwelling unit in compliance with division 16-32 (parking and loading standards). • The seasonal rental unit shall comply with applicable fire district regulations. • The use of outdoor yard areas, open decks, pools and the like shall not result in the production of excessive off-site noise, odor and other external disturbances. • In no event shall the owner of the seasonal rental unit or their agent rent an individual room in the seasonal rental unit to a person, family, or other group of persons. 	<p>STVR banned by City Council on 10/14/15</p>	<p>10% of rent collected</p>
Yountville, Town	<p>Allowed Use: No, prohibited. No vacation rentals in SF residential, old town historic, mixed or master planned residential.</p>			<p>Dealt with by Code Enforcement</p>	<p>10% of rent collected</p>

The map below gives a general sense of the locations of properties in Del Mar for which short-term rentals are advertised. The map is a screen-shot from the **VRBO** (Vacation Rental By Owner) web site at a scale that shows the area from the San Dieguito River mouth south to the City's southern boundary. This is but one website where short-term advertisements are posted but a review of others include many of the same properties, so only the VRBO-listed sites are shown. Using the **VRBO** website, the scale available to show this large an area does not pinpoint many of the properties within the Del Mar city limits other listed on the web site. When applying a zoom-ed in scale, 130 properties are identified.

Screen-shot from VRBO website



Screen-shot from **airbnb** website – 13 sites identified



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA, AMENDING TITLE 9 OF THE MUNICIPAL CODE TO ESTABLISH A NEW CHAPTER, 9.39, REGARDING THE REQUIREMENTS OF AND REVIEW PROCESSES FOR SHORT-TERM RENTALS

WHEREAS, In general, it has been the City of Del Mar's experience that, due to the transitory nature of their use, short-term rentals often result in adverse impacts to immediate neighboring properties and to the community as a whole, with such impacts including, but not limited to: late-night noise and disruptive behavior by some of those who lease short-term rentals; excessive accumulation of waste and litter; and increased demands on the availability of on-street public parking spaces, and

WHEREAS, if not properly regulated, the use of single and multiple family dwelling units, condominiums and other structures normally occupied for residential purposes for short-term rentals, also holds the potential for increased demands for public services such as: public safety, law enforcement and code enforcement and maintenance of the City's infrastructure and public recreation areas; and

WHEREAS, if not properly regulated, the use of single and multiple family dwelling units, condominiums and other structures normally occupied for residential purposes for short-term rentals also holds the potential for a reduction in the availability of the City's stock of rental apartments, with a corresponding impact on opportunities for affordable housing rentals; and

WHEREAS, requiring the receipt of a permit for use of a residential property for Short-Term Rental enables the City to address the potential adverse impacts of such uses.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION ONE:

That Chapter 9.39 of Title 9 of the Municipal Code is established to read as follows:

See Exhibit "A."

SECTION TWO:

ORDINANCE NO. ____

This Ordinance was introduced on _____, __ 2015.

SECTION THREE:

The City Clerk is directed to prepare and have published a summary of this Ordinance no less than five days prior to the consideration of its adoption and again within 15 days following adoption indicating votes cast.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council held on the ____ day of _____, 2015.

AL CORTI, Mayor
City of Del Mar

APPROVED AS TO FORM:

Leslie E. Devaney, City Attorney
City of Del Mar

ATTEST AND CERTIFICATION

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF DEL MAR

I, ANDREW POTTER, Administrative Services Director/City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY, that the foregoing is a true and correct copy of Ordinance No. ____, which has been published pursuant to law, and adopted by the City Council of the City of Del Mar, California, at a Regular Meeting held the ____ day of _____, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Andrew Potter,
Administrative Services Director/City Clerk
City of Del Mar

DRAFT Exhibit "A" to Ordinance No. _____

Chapter 9.39

REGULATION OF SHORT-TERM RENTALS

9.39.010 Purpose. The purpose of this Chapter is to accommodate and regulate the use of residential dwelling units for Short-Term Rentals in a manner that protects the health, safety and general welfare of the residents of Del Mar and that also achieves compliance with the Del Mar Community Plan. Specifically, this Ordinance includes procedures to review proposals for Short-Term Rentals and to apply standards and conditions to guard against the adverse impacts of excessive noise, disorderly conduct, accumulation of refuse, overcrowding, reduction of available public parking, and/or changes to the character of the properties or residential neighborhoods that are sometimes associated with unregulated, short-term rental uses. [Chapter Established by Ord. ____]

9.39.020 Definitions.

The following words and terms are defined for the purpose of applying the provisions of this Chapter:

A. Best Efforts. The use of all of a person's skill, talents and available resources to achieve an identified or required goal, extending beyond mere reliance on good faith or diligent efforts.

B. DMMC. The Del Mar Municipal Code.

C. Dwelling Unit. A building or collection of buildings on a property for occupancy by one person or one family, as defined by this Title, and providing complete independent living facilities including permanent provisions for living, sleeping, sanitation and cooking, but with only one kitchen, as defined by this Title.

D. Director shall mean the Director of Planning and Community Development, or his/her designee(s).

E. Fiscal Year. July 1 to June 30 each year.

F. Good Neighbor Policy. A document adopted by resolution of the City Council that summarizes the general rules of conduct, consideration, and respect to be used by persons leasing a property

for a Short-Term Rental so as to avoid and minimize adverse impacts on immediate owners and lessees of neighboring properties, or on the community in general.

G. Local Contact Person/Responder. The person(s) who has been designated in writing by the Short-Term Rental Property Owner as being available twenty fours (24 hours a day, seven (7) days a week) for the purpose of being available to be at the site of the Short-Term Rental within 60 minutes and who shall be responsible for responding to a complaint(s) regarding the condition, operation or conduct of the occupants of the Short-Term Rental; and for taking immediate remedial action to cure the conditions on which such complaint(s) was made.

H. Occupants. Those persons authorized to occupy a Short-Term Rental pursuant to an agreement or lease.

I. Permit. An authorized Short-Term Rental Permit.

J. Permit Renewal. An authorized Renewal of a Short-Term Rental Permit.

K. Permittee. The person or entity to which a valid Short-Term Rental Permit is issued.

L. Property Owner, Owner. The person or entity that holds legal title to the property on which a Short-Term Rental is located.

M. Renewal. An authorized Renewal of an approved Short-Term Rental Permit, as regulated pursuant to this Chapter.

N. Short-Term Rental. The renting or leasing, through payment of a fee or other bargained-for consideration, of the entirety of a dwelling unit or structure, or portion thereof, as defined in this Title, for a duration of thirty (30) consecutive days or less. For purposes of this Section, compensation shall include any contract or agreement that initially defined the rental term to be greater than thirty (30) consecutive days but, which resulted in rental duration of thirty (30) consecutive days or less

O. Short-Term Rental Operator, Operator. A person or entity duly assigned, in writing, by the Permittee of a Short-Term Rental Permit to conduct the day-to-day operation of a Short-Term Rental.

9.39.030 Effective Date of Regulations Contained in this Chapter.

A. Any Short-Term Rental that exists at the time of the effective date of establishment of this Chapter shall be subject to compliance with the provisions of this Chapter, including the requirement to obtain a Short-Term Rental Permit.

B. Any Short-Term Rental proposed after the effective date of establishment of this Chapter shall be subject to compliance with the provisions of this Chapter, including the requirement to obtain a Short-Term Rental Permit.

9.39.040 Requirement for Receipt of a Short-Term Rental Permit. No person shall operate a Short-Term Rental without the prior receipt of a Short-Term Rental Permit issued in accordance with the provisions of this Chapter.

9.39.050 Required Materials for Short-Term Rental Permit Application. An application for a Short-Term Rental Permit shall include all of the materials listed below. Applications lacking one or more of the listed materials shall be deemed incomplete and shall not be processed until all materials are submitted to the satisfaction of the Director.

A. An application using a form available from the City;

B. A non-refundable application fee. Such fee shall be established by resolution of the City Council in an amount necessary to defer the City's administrative costs for processing the Short-Term Rental application;

C. The name, address, telephone number(s) and signature of the Owner of the property on which the Short-Term Rental is proposed;

D. As applicable, the name, address, e-mail address and telephone number and signature of the Operator, as such is defined in this Chapter;

E. The name, address, e-mail address and telephone number of the Local Contact Person/Responder, as such is defined in this Chapter;

F. The map showing the location of the property on which the Short-Term Rental is proposed and accompanying description

and photographs of all buildings to be used as part of the Short-Term Rental;

G. A floor plan of the property showing the number of bedrooms in the building(s) in which the Short-Term Rental will be located;

H. A site plan of the property showing the number of off-street parking spaces available at the property on which the Short-Term Rental will be located;

I. The proposed maximum number of occupants;

J. An authorization signed by the Property Owner granting City staff the right to enter the property, as necessary to assess the property's compliance with the provisions of this Chapter, and, as necessary, to perform Code Enforcement inspections in response to a complaint(s) lodged against the operation of the Short-Term Rental; and

K. An acknowledgement of the Property Owner's receipt and review of the City of Del Mar Good Neighbor Policy.

9.39.060 Issuing Authority and Standards of Review of Applications for Short-Term Rental Permits.

A. The Director of Planning and Community Development shall serve as the issuing authority on an application for a Short-Term Rental Permit.

B. An application for a Short-Term Rental Permit shall be approved or conditionally approved unless the Director makes a finding that the proposed Short-Term Rental cannot reasonably be expected to be operated in compliance with all of the provisions of this Chapter.

C. Within 20-calendar days of receipt of a complete application, the Director shall issue a written decision for either 1) denial of the application; or 2) conditional approval, with all conditions of approval cited.

D. Following a conditional approval of a Short-Term Rental Permit, the Permittee shall submit to the Director all documents and materials specified in the Permit's conditions of approval. Upon a determination by the Director that the submitted materials are satisfactory, the Director shall provide

the Permittee with a written notice to proceed, allowing commencement of operation of the authorized Short-Term Rental.

E. As signatory to the application for a Short-Term Rental Permit, the property owner assumes responsibility for compliance with all of the conditions of the Short-Term Rental Permit.

9.39.070 Term of Issued Short-Term Rental Permit. The term of a Short-Term Rental Permit shall commence on the date that the Director has issued a written notice to proceed based on a determination that the conditions of the approved Short-Term Rental Permit have been satisfied. The Short-Term Rental Permit shall therefrom be valid until the last day of the Fiscal Year in which the Short Term Rental Permit was approved.

9.39.080 Renewal of a Short-Term Rental Permit.

A. The Permittee of a Short-Term Rental Permit that is due to expire may submit an application for Renewal of the Permit. An application for Renewal shall be made using a form available from the City. The application shall be submitted a minimum of 30 calendar days prior to the expiration date of the Short-Term Rental Permit for which the Renewal is requested.

B. The Short-Term Permit Renewal Application shall be accompanied by a Short-Term Rental Permit Renewal fee, as established by resolution of the City Council.

C. The Short-Term Permit Renewal Application shall be accompanied by an updated copy of proof of general liability insurance for the Short-Term Rental, as required pursuant to the provisions of this Chapter.

D. Upon submittal, the Director shall review the Short-Term Rental Permit Renewal application to determine if the circumstances and findings under which the original Short-Term Rental Permit application were issued are still applicable and can support findings for approval for renewal of the Permit.

E. Within 20-calendar days of receipt of a complete Short-Term Rental Permit Renewal application, the Director shall issue a written decision for either 1) denial of the Renewal application; or 2) conditional approval, with all conditions of approval cited.

F. A Short-Term Rental Permit Renewal shall be valid from the date of approval until the last day of the Fiscal Year in which it was approved.

9.39.090 Imposition of Conditions.

A. The Director may attach such conditions to a Short-Term Rental Permit or Renewal as deemed necessary to ensure that the Permit or Renewal will fully comply with and carry out the provisions of this Chapter.

B. In the event of a violation of the conditions an approved Short-Term Rental Permit or Renewal, the Director shall have the authority to impose additional conditions on the Short-Term Rental Permit or Renewal as deemed necessary to ensure compliance with the provisions of this Chapter.

9.39.100 Permits Transferable. A Short-Term Rental Permit or Renewal may be transferred from one party to another provided the new Permittee first submits a written acknowledgement to the Director that they have read and agree to comply with all conditions of approval of the Permit and with the provisions of this Chapter.

9.39.110 Revocation of Permit. A Short-Term Rental Permit may be revoked upon a written finding by the Director, supported by evidence, that the Short-Term Rental is being operated in violation of one or more of the conditions of the issued Short-Term Rental Permit or Renewal or in violation of more of the provisions of this Chapter. A Short-Term Rental Permit or Renewal may also be revoked upon a written finding by the Director that the Short-Term Rental is being operated in a manner that constitutes a public nuisance.

A. The Director's decision shall be provided to the Permittee in writing and shall state that the Short-Term Rental Permit will be revoked within 30 days from the date the notice is given unless the owner and/or operator files an appeal of the decision with the City.

B. The decision to revoke a Short-Term Rental Permit or Renewal shall be appealable to the City Council in accordance with the provisions of the Del Mar Municipal Code.

9.39.120 Indemnification and Liability Insurance.

A. As a condition of approval of a Short-Term Rental Permit, the Property Owner shall provide a signed affidavit indemnifying the City, using the language shown below.

"Property Owner understands and acknowledges that Property Owner shall defend, indemnify, and hold the City, its officials, officers, employees, volunteers and agents serving as independent contractors in the role of city officials (collectively "Indemnitees") free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any acts or omissions of Property Owner, its lessees, tenants, invitees, tenant and lessee invitees, guests, or its agents in connection with the rental or leasing of the Property as a short-term rental, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses, except for such loss or damage arising from the sole negligence or willful misconduct of the City. With respect to any and all such aforesaid suits, actions, or other legal proceedings of every kind that may be brought or instituted against Indemnitees, Property Owner shall defend Indemnitees, at Owner's own cost, expense, and risk, and shall pay and satisfy any judgment, award, or decree that may be rendered against Indemnitees. Property Owner shall reimburse City and its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Owner's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Property Owner, the City, its directors, officials, officers, employees, agents or volunteers."

B. As a condition of approval of a Short-Term Rental Permit, the Property Owner shall provide 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.

9.39.130 Submittal of Code Enforcement Security Deposit.

A. As a condition of approval of Short-Term Rental Permit, the Owner shall deposit a Code Enforcement Security Deposit, at a rate established by resolution of the City Council and in a form acceptable to the Director.

B. The City shall draw from and use the funds in the Code Enforcement Deposit as necessary to offset costs incurred by the City to enforce the Short-Term Rental's compliance with the provisions of this Chapter and with the conditions of approval of the approved Short-Term Rental Permit or Renewal.

C. At such time as the Permittee provides written notice that he/she will no longer exercise the right to operate the Short-Term Rental Permit or Renewal, the City shall return all unused portions of the Code Enforcement Security Deposit to the Permittee, with an accounting of any funds expended.

9.39.140 Inspections of Property. As deemed necessary by the Director, a Short-Term Rental may be subject to an inspection, either prior to or following the issuance of a Short-Term Rental Permit or Renewal, so as to ensure compliance with the provisions of this Chapter or with the conditions of an approved Short-Term Rental Permit or Renewal.

9.39.150 Short-Term Rental Permit Serves as Business License. Notwithstanding the provisions of this Title, where a Short-Term Rental Permit or Renewal has been issued for a property, a separate Business License shall not be required for the rental activity. However, if a business activity separate and distinct from the Short-Term Rental is conducted at the Property, a Business License(s) shall be obtained, as required pursuant to the to the DMMC.

9.39.160 Locations in which Short-Term Rentals are Allowed.
Alternatives noted

Alternative #1

A Short-Term Rental may be operated in any City Zone the provisions for which allow list Short-Term Rentals as an allowed use.

Alternative #2

A Notwithstanding the other provisions of this Title, a Short-Term Rental may be operated in only the following residential zones:

R1-40 Zone
R1-14 Zone
R1-10 Zone
R1-10B Zone
R1-5 Zone
R1-5B Zone
RM-East Zone
RM-West Zone
RM-Central Zone
RM-South Zone
R2 Zone
RC Zone

9.39.170 Requirement for Minimum Stay Duration of Short-Term Rentals. Alternatives noted

The minimum-stay duration for occupants of a Short-Term Rental shall be:

- Alternative #1 three (3) consecutive nights.
- Alternative #2 five (5) consecutive nights.
- Alternative #3 seven (7) consecutive nights.

9.39.180 Limits on Monthly and Yearly Operation of a Short-Term Rental. Alternatives noted

A. The maximum number of nights that a Short-Term Rental may be operated shall be limited as follows:

Monthly limit:

- Alternative #1 Not more than seven (7) nights in any calendar month
- Alternative #2 Not more than Fifteen (15) nights in any calendar month; and

Yearly limit:

- Alternative #1 Not more than 90 nights in any calendar year.
- Alternative #2 Not more than 180 nights in any calendar year.
- Alternative #3 Not more than 275 nights in any calendar year.

9.39.190 Maximum Occupancy.

A. The maximum occupancy of a Short-Term rental shall not exceed either of the following limitations:

1. Not more than two persons per bedroom of the Short-Term Rental plus an additional two persons; and

2. Not more than five persons for each of the off-street parking spaces located on the property, as such spaces have been determined as part of the review of the Short-Term Rental Permit application to be valid and available for use.

9.39.200 Short-Term Rentals - Operational Requirements/Permit Conditions. A Short-Term Rental shall continuously be operated in compliance with all of the following standards and parameters which shall be memorialized as conditions of approval of any authorized Short-Term Rental Permit or Renewal.

A. The Short-Term Rental, including the external areas of the property on which it is located, shall, at all times, be maintained in a clean and safe condition;

B. The operation of the Short-Term Rental shall be conducted in compliance with all applicable laws and local ordinances;

C. The Short-Term rental shall be maintained so as to comply with all applicable codes regarding fire safety and building safety;

D. Trash and refuse shall not be left stored within public view, except in proper containers for the purpose of collection by the City's authorized waste hauler between the hours of 5:00 p.m. the day before and 8:00 a.m. the day after the scheduled trash collection days. The Owner of the short-term vacation rental shall provide sufficient trash collection containers and service to meet the demand of the occupants;

E. The Short-Term Rental Permittee, or designee, shall limit the number of Short-Term Rental occupants and Short-Term Rental occupant vehicles to those identified in an approved Short-Term Rental Permit or Renewal;

F. At the time that a Short Term Rental Permit is being operated, all on-site parking spaces designated in the Short-Term Permit or Renewal shall be available for use for the vehicles of occupants and guests of the Short-Term Rental;

G. The Short-Term Rental shall be operated in a manner such that the quiet and good order of the premises or the surrounding neighborhood are not disturbed;

H. The Permittee and Operator shall use "best efforts" to insure that the occupants and/or guests of the Short-Term Rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of the DMMC or any applicable law pertaining to noise, disorderly conduct, overcrowding, the consumption of alcohol, or the use of illegal drugs.

I. The address of the Short-Term Rental shall be conspicuously posted at the property; and

J. All advertising for the Short-Term Rental shall include the Short-Term Rental Permit number assigned by the City.

9.39.210 Information to be Provided to Lessees of Short-Term Rentals.

A. Each lease or rental agreement for a Short-Term Rental shall include the following notifications and disclosures, which shall also be posted in a conspicuous location inside the Short-Term Rental:

1. Notification that the property is subject to a City of Del Mar Short-Term Rental Permit.
2. The name and telephone number(s) of the Operator and Local Contact Person of the Short-Term Rental who may be reached at all times.
3. The trash pick-up day and applicable rules and regulations pertaining to storing of trash or refuse on the exterior of the property.
4. The maximum number of occupants that are permitted per the approved Short-Term Rental Permit.
5. The number of parking spaces to be provided and available for use and the total number of vehicles allowed per the approved Short-Term Rental Permit.
6. Notification that amplified sound, including radios, televisions and other electronic devices, are subject to the City's noise regulations as set forth in Del Mar Municipal Code Chapter 9.20.

7. Notification of the City's right to recover the costs of any code enforcement actions necessary to respond to complaints of violation of the conditions of the Short-Term Rental or of the Del Mar Municipal Code.

8. Notification that the occupants of the Short-Term Rental may be cited or fined by the City if City or State laws are violated.

9.39.220 Limitation on Number of Daytime or Nighttime Visitors at a Short-Term Rental *Alternatives noted*

A. The number of persons who visit a Short-Term Rental shall not exceed the number of persons allowed pursuant to the maximum occupancy limits contained in this chapter except as follows:

1. The number of non-occupant persons who visit the Short-Term Rental between the hours of 8:00 a.m. to 6:00 p.m. daily shall not exceed:

Alternative #1 two.

Alternative #2 five.

Alternative #2 the maximum number of occupants allowed per the Short-Term Rental Permit.

2. The number of non-occupant persons who visit the Short - Term Rental between the hours of 6:00 p.m. to 10:00 p.m. daily shall not exceed:

Alternative #2 two.

Alternative #2 five.

Alternative #3 a figure of 50% of the maximum number of occupants allowed per the Short-Term Rental Permit.

B. No non-occupants shall be allowed to visit the Short-Term Rental between the hours of 10:00 p.m. and 8:00 a.m. daily.

9.39.230 Interior Display of Short-Term Rental Permit Information. A copy of the valid Short-Term Vacation Rental Permit shall be conspicuously posted on the inside of the main entry door of the Short-Term Rental unit. The copy of the Permit, as required herein, shall be accompanied by posting of written information about the maximum number of overnight occupants permitted to stay in the Short-Term Rental, the maximum number of vehicles allowed for occupants of the Short-

Term Rental and the emergency contact information of the operator of the Short-Term Rental.

9.39.240 Exterior Display of Permit Number and Complaint Contact Information. The Permittee, or Short-Term Rental Operator, shall post notice of contact information in the manner listed below:

A. Notice shall be conspicuously posted on the exterior of the structure in which the Short-Term Rental is located, using a durable, legible material. The Notice shall list the Short-Term Rental Permit number assigned by the City and the 24-hour, seven-day-a-week phone and e-mail contact information of the Permittee, or where designated, of the Short-Term Rental Operator responsible for the day-to-day operation of the Short-Term Rental and for responding to complaints.

B. The emergency/complaint contact information required in this section shall also be provided, in writing, to the owners and residents of each property immediately adjacent to the property on which the Short-Term Rental is located.

9.39.250 Compliance with Good Neighbor Policy

A. As a condition of approval of a Short-Term Rental Permit, the owner(s) of the property, and all designated Operators shall provide a written statement that they have read and agree to abide by the City of Del Mar Good Neighbor Policy, as may be adopted by resolution of the City Council.

B. A copy of the Del Mar Good Neighbor Policy, as adopted by the City Council, shall be conspicuously displayed in each Short-Term Rental.

9.39.260 Owner is Responsible Party for Short-Term Rental. The Owner of the property on which the Short-Term Rental is located shall be responsible for compliance with all provisions of this Chapter and with all conditions of an approved Short-Term Rental Permit or Renewal. The Property Owner may designate a Short-Term Rental Operator to manage the day-to-day operations; however, the Property Owner remains the party responsible for compliance.

9.39.270 Identification and Responsibilities of a Primary Adult Occupant.

A. Each lease or rental agreement for a Short-Term Rental shall include a designation by the lessee, of a Primary Occupant of the Short-Term Rental.

B. The Primary Occupant shall be an adult twenty-one (21) years of age or older.

C. The lease agreement shall include a requirement that the Primary Occupant shall be available to respond to the Owner or City Code Enforcement staff by telephone within sixty (60) minutes of contact by the Owner, the Local Contact Person, or by a City Code Enforcement Officer.

D. The lease agreement shall include an acknowledgement that the Primary Occupant is legally responsible to ensure that all occupants of the Short-Term Rental and their guests shall comply with all applicable laws, rules, and regulations pertaining to the use and occupancy of the Short-Term Rental.

E. This information regarding the designated Primary Occupant shall be maintained by the Owner for a period of one (1) year and shall be readily available upon request of any employee of the City authorized to enforce the provisions of the DMMC or of a Short-Term Rental Permit.

9.39.280 Response to Citizen Complaints

A. Upon receiving a complaint from either City of Del Mar staff or any person utilizing the emergency contact that occupants or tenants of a Short-Term Vacation Rental unit have created unreasonable noise or disturbances, or engaged in disorderly conduct or committed violations of the DMMC, the Permittee, or Operator shall respond in a prompt manner and shall use Best Efforts to identify and verify whether a violation occurred and, if so, take corrective action to address any violation and to prevent the recurrence of such conduct by the Short-Term Rental occupants. For purposes of this section, a response telephone call to a complainant shall be considered prompt only if returned within sixty (60) minutes of the initial complaint call.

B. The Owner and/or Owner's Designated Local Contact shall take the following actions within thirty (30) minutes of receiving such notification:

1. Take corrective action to immediately prevent a recurrence of the conduct or condition constituting the violation;
2. Contact the City of Del Mar Code Enforcement Officer at the number identified on the Short-Term Rental Permit to inform the City of the corrective action taken or the steps to determine that no violation occurred.

C. Failure to provide a prompt and effective response to two (2) or more verified complaints regarding tenant violations shall be deemed a violation of the terms of the Short-Term Rental Permit or Renewal and of this Chapter.

D. An Owner and/or the Owner's Designated Local Contact Person is not required or authorized to act as a peace officer or to intervene in situations that pose a risk to personal safety.

E. The Owner, or Owner's Designated Local Contact Person, shall maintain records of the name, violation, date, and time of each complaint, disturbance, and response and corrective action taken.

9.39.290 Owner's responsibilities in Responding to a Complaint of Violation.

A. Upon receipt of a complaint or upon notification that any occupant and/or guest of the Short-Term Rental has created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of the DMMC or of any state law, the Owner and/or Owner's Designated Local Contact shall take the following actions within thirty (30) minutes of receiving such notification:

1. Take corrective action to immediately prevent a recurrence of the conduct or condition constituting the violation;
2. Contact the City of Del Mar Code Enforcement Officer at the number identified on the Short-Term Rental Permit to inform the City of the corrective action taken.

B. Failure of the owner, the owner's representative and/or the owner's designated local contact person to take such actions as required herein shall be deemed a violation of the DMMC and of the conditions of approval of the Short-Term Rental Permit.

C. An Owner and/or the Owner's Designated Local Contact Person is not required or authorized to act as a peace officer

or to intervene in situations that pose a risk to personal safety.

D. The Owner, or Owner's Designated Local Contact Person, shall maintain records of the name, violation, date, and time of each complaint, disturbance, and response and corrective action taken.

9.39.300 Violations, Enforcement and Penalties.

A. Failure to comply with the provisions of this Chapter or with one or more of the conditions of an approved Short-Term Rental Permit or Permit Renewal shall constitute a violation of the DMMC for which penalties may be imposed.

B. City penalties for violations shall be issued in writing by the City upon documented verification of a violation. Documentation shall include, but not be limited to, copies of all warnings, citations, or correspondence issued by City staff or by the City's law enforcement representatives.

C. The penalties for violations specified in this Chapter shall be the responsibility of the Owner and shall be imposed as follows:

1. For the first verified violation within any 12-month period, the penalty shall be \$250;
2. For a second verified violation within any 12-month period, the penalty shall be \$500;
3. For a third verified violation within any 12-month period, the Director shall hold a hearing pursuant to the DMMC and the provisions of this Chapter to determine if the Short-Term Rental Permit should be revoked.

9.39.310 Violation of Chapter Considered a Nuisance.

It shall be unlawful for any person owning, operating or occupying a Short-Term Rental to violate the provisions of this Chapter or to violate the conditions of a Short-Term Rental Permit. Such violation shall be deemed a nuisance, subject to enforcement as such pursuant to the provisions of the DMMC.

9.39.320 Advertising for Short-Term Rentals. On-site advertising for a Short-Term Rental shall be limited to one sign mounted to the face of a building that comprises the Short-Term

Rental, with such signage not to exceeding six square feet in area.

9.39.330 Requirement for On-site Presence of Owner or Long-Term Lessee for Short-Term Rentals of Portions of a Building. In cases where a portion, rather than the entirety of a building, is to be used as a Short-Term Rental, the owner of the property, or an occupant with a rental agreement of more than 30 days, shall be present during the duration or the Short-Term Rental.

9.39.340 Exemption from Chapter. The rental of a dwelling unit, or portion thereof, to a person(s) for a duration of more than thirty (30) consecutive days based on a written lease agreement shall not constitute a Short-Term Rental and shall not be subject to the provisions of this Chapter or the requirement for receipt of a Short-Term Rental Permit.

9.39.350 Payment of Transient Occupancy Taxes. Payment of Transient Occupancy Taxes (TOT) shall be made in accordance any duly enacted requirements of the DMMC.

DRAFT ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DEL MAR AMENDING DEL MAR MUNICIPAL CODE (DMMC) CHAPTERS 30.10 (R1-40), 30.11 (R1-14), 30.12 (R1-10), 30.13 (R1-10B), 30.14 (R1-5), 30.15 (R1-5B), 30.16 (RM-EAST), 30.17 (RM-WEST), 30.18 (RM-CENTRAL), 30.19 (RM-SOUTH), 30.20 (R2), AND 30.21 (RESIDENTIAL COMMERCIAL) TO SPECIFY THAT WHERE A DWELLING UNIT IS ALLOWED BY RIGHT IN A ZONING DISTRICT, SUCH DWELLING UNIT MAY BE LEASED FOR LONG-TERM RENTALS OF MORE THAN 30 DAYS AND MAY ALSO LEASED FOR SHORT-TERM RENTALS OF 30 DAYS OR LESS, SUBJECT TO COMPLIANCE WITH ANY APPLICABLE SHORT-TERM RENTAL REGULATIONS OR PERMIT REQUIREMENTS OF THE DMMC. ALSO, AMENDING THE DEFINITIONS OF THE TERMS DWELLING AND DWELLING UNIT, AS CONTAINED IN DMMC SECTION 30.04.040 "D" WORDS AND PHRASES DEFINED, ADDING A DEFINITION FOR THE TERM "LONG-TERM RENTAL" IN DMMC SECTION 30.04.120 "L" WORDS AND PHRASES DEFINED; ADDING A DEFINITION FOR THE TERM "GOOD NEIGHBOR POLICY" IN SECTION 30.04.170 "G" WORDS AND PHRASES DEFINED; AND ADDING A DEFINITION FOR THE TERM "SHORT-TERM RENTAL" IN SECTION 30.04.180 "S" WORDS AND PHRASES DEFINED.

WHEREAS, In general, it has been the City of Del Mar's experience that, due to the transitory nature of their use, short-term rentals often result in adverse impacts to immediate neighboring properties and to the community as a whole, with such impacts including, but not limited to: late-night noise and disruptive behavior by some of those who lease short-term rentals; excessive accumulation of waste and litter; and increased demands on the availability of on-street public parking spaces, and

WHEREAS, if not properly regulated, the use of single and multiple family dwelling units, condominiums and other structures normally occupied for residential purposes for short-term rentals, also holds the potential for increased demands for public services such as: public safety, law enforcement and code enforcement and maintenance of the City's infrastructure and public recreation areas; and

WHEREAS, if not properly regulated, the use of single and multiple family dwelling units, condominiums and other structures normally occupied for residential purposes for short-term rentals also holds the potential for a reduction in the availability of the City's stock of rental apartments, with a corresponding impact on opportunities for affordable housing rentals; and

ORDINANCE NO. ____

WHEREAS, the benefits of allowing short-term rentals must be balanced against the desirability of peace, tranquility and quality of lifestyle for Del Mar's property owners, long-term residential tenants and citizens in general; and

Whereas, because of their different characteristics, there is a necessity to establish definitional and regulatory distinctions in the Municipal Code between short-term residential rentals and long-term residential rentals; and

WHEREAS, the increase in use of properties for the operation of short-term rentals, and the potential for adverse impacts from such uses has created a need to implement a regulatory process for short-term rentals in order to protect the existing character and environment of the City's neighborhoods; and

WHEREAS, requiring the receipt of a permit for use of a residential property for Short-Term Rental enables the City to address the potential adverse impacts of such use as necessary to maintain the integrity of the various zoning districts in which such uses would be located; and

WHEREAS, the Planning Commission of the City of Del Mar has reviewed the impacts of short-term rentals and, after such review and after conducting a noticed public hearing to gain public input, has made certain recommendations to City Council on considerations for adopting a set of Municipal Code amendments to regulate short-term rentals.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION ONE:

That Section 30.10.030 of the Municipal Code is amended to add Subsection B read as follows, with the remaining subsections re-lettered accordingly:

B. A dwelling allowed per this section may be used for habitation by the owner(s) of the building site on which it is located, or may be leased for habitation to another party or parties as a Long-term Residential Rental, as defined in this Title; and

SECTION TWO:

That Section 30.10.030 of the Municipal Code is amended to add subsections E. F. and G. to read as follows:

E. Where a dwelling or structure is allowed pursuant to this section, said dwelling may be used for a Short-Term Residential Rental, as defined in this Title, provided the Short-Term Residential Rental is

ORDINANCE NO. ____

operated in compliance with all applicable provisions of the DMMC and provided that, where required by the DMMC, a valid City of Del Mar Short-Term Rental Permit has been obtained.

F. A Short-Term Residential Rental may not be located or operated in a Second Dwelling Unit, as such is defined and regulated by this Title;

G. A Short-Term Rental may not be located or operated in a dwelling that, pursuant to the DMMC and/or City permit or other City authorization, is subject to requirements for lease at affordable rental rates, as regulated by the DMMC.

Note: For SECTIONS THREE through TWENTY-FOUR below, the language to be used for each of the referenced residential zoning districts would be the same as that shown in SECTIONS ONE and TWO above for the R1-40 Zone. Rather than repeating that language numerous times, each of the identified zones has been assigned a placeholder.

SECTION THREE:

30.11.030 R1-14 Zone (Long-term rental allowed)

SECTION FOUR:

30.11.030 R1-14 Zone (Short-term rental allowed)

SECTION FIVE:

30 R1-10 Zone (Long-term rental allowed)

30.12.0

SECTION SIX:

30.12.030 R1-10 Zone (Short-term rental allowed)

SECTION SEVEN:

30.13.030 R1-10B Zone (Long-term rental allowed)

SECTION EIGHT:

30.13.030 R1-10B Zone (Short-term rental allowed)

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SECTION NINE:

30.14.030 R1-5 Zone (Long-term rental allowed)

SECTION TEN:

30.14-030 R1-5 Zone (Short-term rental allowed)

SECTION ELEVEN:

30.15.030 R1-5B Zone (Long-term rental allowed)

SECTION TWELVE:

30.15-030 R1-5B Zone (Short-term rental allowed)

SECTION THIRTEEN:

30.16 RM-East Zone (Long-term rental allowed)

SECTION FOURTEEN:

30.16-030 RM-East Zone (Short-term rental allowed)

SECTION FIFTEEN:

30.17 RM-West Zone (Long-term rental allowed)

SECTION SIXTEEN:

30.17-030 RM-West Zone (Short-term rental allowed)

SECTION SEVENTEEN:

30.18 RM-Central Zone (Long-term rental allowed)

SECTION EIGHTEEN:

30.18-030 RM-Central Zone (Short-term rental allowed)

SECTION NINETEEN:

30.19 RM-South Zone (Long-term rental allowed)

SECTION TWENTY:

30.19-030 RM-South Zone (Short-term rental allowed)

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SECTION TWENTY-ONE:

30.20.030 R2 Zone (Long-term rental allowed)

SECTION TWENTY-TWO:

30.20.030 R2 Zone (Short-term rental allowed)

SECTION TWENTY-THREE

30.21.030 RC Zone (Long-term rental allowed)

SECTION TWENTY-FOUR:

30.21.030 RC Zone (Short-term rental allowed)

SECTION TWENTY-FIVE:

That Subsection J. of Section 30.04.040 is deleted, with the remaining subsections re-lettered accordingly.

SECTION TWENTY-SIX:

That Subsection N. of Section 30.04.040 is amended to read as follows:

N. Dwelling Unit. A building or collection of buildings on a property for occupancy by one person or one family, as defined by this Title, and providing complete independent living facilities including permanent provisions for living, sleeping, sanitation and cooking, but with only one kitchen, as defined by this Title.

SECTION TWENTY-SEVEN:

That Section 30.04.120 is amended to insert Subsection I. to read as follows, with the remaining subsections re-lettered accordingly:

B. Long-Term Residential Rental. The renting or leasing, through payment of a fee or other bargained for consideration, of the entirety of a dwelling unit, as defined in this Title, for a duration of more than thirty (30) consecutive days.

SECTION TWENTY-EIGHT:

That Section 30.04.180 is amended to insert Subsection G. to read as follows, with the remaining subsections re-lettered accordingly:

ORDINANCE NO. ____

G. Short-Term Residential Rental. The renting or leasing, through payment of a fee or other bargained-for consideration, of the entirety of a dwelling unit or structure, or portion thereof, as defined in this Title, for a duration of thirty (30) consecutive days or less. For purposes of this Section, compensation shall include any contract or agreement that initially defined the rental term to be greater than thirty (30) consecutive days but, which resulted in rental duration of thirty (30) consecutive days or less

SECTION TWENTY-NINE:

That Section 30.04.070 is amended to insert Subsection E. to read as follows, with the remaining subsections re-lettered accordingly:

E. Good Neighbor Policy. A document adopted by resolution of the City Council that summarizes the general rules of conduct, consideration, and respect to be used by persons leasing a property for a Short-Term Rental so as to avoid and minimize adverse impacts on owners and lessees of neighboring properties or on the community in general.

SECTION THIRTY-THIRTY:

This Ordinance was introduced on _____, 2015.

SECTION THIRTY-ONE:

The City Clerk is directed to prepare and have published a summary of this Ordinance no less than five days prior to the consideration of its adoption and again within 15 days following adoption indicating votes cast.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council held on the _____ day of _____ 2015.

AL CORTI, Mayor
City of Del Mar

ORDINANCE NO. ____

APPROVED AS TO FORM:

Leslie E. Devaney, City Attorney
City of Del Mar

ATTEST AND CERTIFICATION

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF DEL MAR

I, ANDREW POTTER, Administrative Services Director/City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY, that the foregoing is a true and correct copy of Ordinance No. ____, which has been published pursuant to law, and adopted by the City Council of the City of Del Mar, California, at a Regular Meeting held the ____ day of _____, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Andrew Potter,
Administrative Services Director/City Clerk
City of Del Mar

Donald A. Countryman
Design Associates, Inc.

Ph: (858) 794-6299

Fax: (858) 794-0793

990 Highland Dr. # 110-D
Solana Beach CA 92075

E-mail - dacdesign1@mac.com

November 3, 2015

Dear Planning Commissioners,

I have a financial interest in a home that is rented on a short term, part time basis; therefore I will be presenting my views as a private citizen with a personal interest.

What are the numbers?

I have researched the listings on VRBO and Air B&B and the following are the numbers by zone.

VRBO-

Beach Colony area Bridge to 15th street- 82

"R-2 " zone 15th street to 4th street west of CDM- 22

Del Mar Woods- 4

R1-10 zone- the entire hill from Balboa to 9th street- 17

9th street to 4th- 5

South of 4th- 2

Air B&B is little more difficult to establish total numbers because of their listing format. There are many overlaps- but accounting for most of the overlaps, it looks to be about 15 total. These are only the units within the City borders. Many more are listed in Solana Beach and City of San Diego that show up in the listing totals.

What are the issues?

It broadly seems that the two issues are potential disturbance to neighbors and changing the "character of the community"

Disturbance:

Regarding disturbance, there are several suggestions being considered. Zone considerations should also be included in the discussion. Some of these are:

1. Demonstration of adequate off street parking and screened or out of site trash receptacles
2. Require a written good neighbor document that includes noise ordinance details and enforcement information, owner or manager contact, and the establishment of all quiet hours.
3. Establish a minimum stay period between 4-7 days. It is important to consider this restriction relative to the California Coastal Commission's mission to provide access to coastal resources for those who do not live on the Coast. After speaking with short-term rental managers, approximately 80% of all rentals are 10 days or less. Implementation of longer than a 7day minimum would exclude access to the majority of users.
4. Establish a maximum number of days a year to be rented.
5. Limit the number of occupants. I suggest maximum occupant load be the number of dedicated sleeping areas "DSA" (e.g. bedrooms and sleeping lofts) x2 plus 2 for accommodation of children. So maximum occupancy of a 3 DSA would be 8.
6. Regarding zones, the Beach Colony area from the Bridge to 15th street have the highest number of short term rentals and are also the highest density zones where the impact of noise and coming and going has the greatest impact.

The R-2 zone has also seen quite a few short-term rentals. Over my 30 years + of familiarity with this area, the number of rentals seems to have decreased slightly as properties have been converted to owner occupancy and more single family homes have been developed. I live next to a short-term rental in the R-2 zone and rarely have disturbance issues. It is, in fact, less so than when it was rented long term to a young family with small children. But, it simply depends on whether the sound of small children bothers you – I happen to enjoy the action and welcome the diversity and enjoy speaking with the visitors.

The R1-10/R1-40 "hill" area has the fewest short-term rentals and the least potential for disturbance impacts. When I lived on the hill in a home with a pool, my children were in the pool several times a week in the summer. Pools are rarely heated and used in the fall, winter and spring and certainly for those sensitive to the sounds of children, pool use for short-term rentals could be restricted to a few months out of the year. I do not find the sound of children playing a disturbance. It is unfortunate that some people do.

It is also important to realize that there is absolutely no documented data as to the quantity and quality of disturbance issues. Everything of record is anecdotal. I have checked with code enforcement and they have neither history nor records of short-term rental disturbance issues. There is also no good data as to the increase in the number of short-term rentals since this last came to the Council in 2010. It was much more difficult to determine the number of rentals in 2010.

Since the goal is to make decisions with facts, I think the most prudent strategy is to approach this ordinance with modest regulations and then monitor to obtain real data that can be used for future code modifications if necessary.

Character of the Community:

This is a more difficult concept to define, but here are some of my thoughts:

1. Our community has always had short-term rental in all zones and the great majority has been managed with little or no disturbance to the community. Recent examples of objections to children playing in a pool speak more to individual tolerance rather than to a real disturbance.
2. I have difficulty understanding the difference between a 30-day, a 4-day or a 7-day rental with respect to community character. There is no disturbance difference between someone moving in and out and the coming and going of a long-term tenant. It is the use of the home. A 30-day and a 4-day tenant are not different with respect to their interaction with the community and neither will most people get to know. The impact of the 30-day minimum will be to effectively shut down short-term rentals and deny so many the enjoyment of our community. It is interesting to note that most of us are willing and generally able to enjoy these new rental services in other parts of this country and around the world. Are we any different than those who come here to enjoy our community? I wonder.
3. These homes are not being rented to a bunch of college kids- the expense is way beyond their pay grade. Generally the tenants are mature groups of adults and families.

In summary:

1. Short term rentals should be regulated
2. They are appropriate in all zones and have a history in all zones
3. A good neighbor document should be created with the requirement that shall be attached to every short-term rental agreement.
4. There is no reliable data regarding disturbance history or the numerical increase in rentals over the last 5 years.
5. The minimum stay period should at 4 days to be reviewed with applicable and real data at a time certain.
6. A maximum number of rental days per year should be considered at owner's choice.
7. Limit the number of occupants to DSAX2 +2
8. Provide adequate off street parking and screened or out of site trash receptacles

Don Countryman

Adam Birnbaum

From: Adam Birnbaum
Sent: Wednesday, November 04, 2015 10:03 AM
To: Adam Birnbaum
Subject: FW: Planning Commission Meeting November 10 - Short Term Rental ACTION ITEM, Red Dot Letter Items 2 and 3

From: Sudepto Roy [REDACTED]
Sent: Tuesday, November 03, 2015 9:00 PM
To: City Hall Mail Box
Subject: Planning Commission Meeting November 10 - Short Term Rental ACTION ITEM. Red Dot Letter Items 2 and 3

Dear Sir or Madam,

My wife and I are residents of Olde Del Mar, at 1102 Klish Way. We purchased our home, at a steep price, to enjoy the tranquil neighborhood and the coastal living lifestyle of Del Mar.

Through a recent alert from a watchful neighbor, we learnt of a disturbing action item in an upcoming planning commission meeting, related to changing zoning laws in our city, permitting short term rentals.

We would like to register our opposition to this action. Short Term Rentals of less than 30 days should be banned in all residential zones throughout the City of Del Mar.

Sudepto Roy and Valerie Dufort-Roy
Del Mar Residents, since 2011.

Adam Birnbaum

To: Adam Birnbaum
Subject: FW: Re: Short Term Rental Issue in Del Mar

Date: Fri, 23 Oct 2015 16:15:40 -0700
From
Reply-To: Subject: Re: Short Term Rental Issue in Del Mar
To: Hershell Price <

Hershell, Thank you for your interest in this subject. Del Mar has always been a hot spot for Race or Summer rentals. For "old timers" who have lived here a long time and are now on fixed incomes the ability to rent their property for a short time is a way to try to keep up with escalating cost of living. Maybe a one week minimum would be OK to keep down the party house problem. However I would sure like to know how many people are really against rentals. In Del Mar a few people are always upset about any small disturbance -- be it Music at the fair grounds or a neighbor's party. To appease a few people yet financially harm a lot is not good. Dick Murray

subject. On Fri, 23 Oct 2015 15:02:28 -0700, Hershell Price < wrote:

Dear Friends and Residents,

Over the past few months, there has been much discussion about what to do about the Short Term Rental Industry invading our small town of Del Mar. Complaints are being heard from all quarters, even in the Beach Colony. Homes are being purchased for the sole purpose of using them for Vacation Rentals year-round. Neighbors do not even know their neighbors anymore in growing numbers and our community is being taken over by the Vacation Rental Industry. It sounds strange to me to apply the term "Industry" to short term rentals, but that is the way the out-of-town proponents describe themselves at our Council Meetings. They testify that this is a growth industry and I and many other of our residents are starting to believe what they have been saying, as it applies to Del Mar.

Believe it or not, this same phenomenon is affecting other coastal cities in California and a growing number are starting to ban short term rentals altogether. It has gotten so bad that cities such as Manhattan Beach, Hermosa Beach, Coronado, City of Mammoth and others have banned RENTALS OF LESS THAN 30 DAYS in all residential areas. This is why I am reaching out to as many of our residents as possible to try to determine if this issue to BAN RENTALS OF LESS THAN 30 DAYS should be placed on the 2016 ballot to be voted on by the registered voters of Del Mar. The Short Term Rental issue will be heard at the Planning Commission on November 10th and I have heard that the Short Term Rental Industry representatives will be there in large numbers to support the continuation of short term rentals in all areas of Del Mar. This is a big issue so please try to attend if possible, or watch from home on that date.

Please let me know your thoughts and please pass this email message on to other of your Del Mar friends, Thanks,

Hershell Price

Del Mar Resident

858 361-6981

----- End forwarded message -----

Shaun McMahon



To: Adam Birnbaum
Subject: FW: Planning Commission Red Dot Letter Items 2 and 3

From: [REDACTED]
Sent: Friday, November 06, 2015 6:57 PM
To: City Hall Mail Box
Subject: Planning Commission Red Dot Letter Items 2 and 3

Planning Commission Red Dot Letter Items 2 and 3

Dear Planning Commission Members,

Please confirm reception of my opinion, please.
Short Term Rentals of less than 30 days should be banned in all residential zones throughout the City of Del Mar.

Valerie Dufort-Roy,
Del Mar Resident
Klish Way

Shaun McMahon



To: Adam Birnbaum
Subject: FW: Letter in regard to proposed short-term rental regulations

-----Original Message-----

From: Linda Holland [mailto:linda.holland@delmarca.gov]
Sent: Sunday, November 08, 2015 10:03 AM
To: City Hall Mail Box
Subject: Letter in regard to proposed short-term rental regulations

To Del Mar city Council:

We are writing to voice our opposition to the proposed regulation of short-term rentals on two grounds (1) such regulations are unnecessary and (2) would be unenforceable. Please take note that we have resided on Coast Blvd for nearly 50 years and have never rented and never plan to rent our house on a short-term basis.

The proposed regulations are unnecessary for two reasons. First, short-term rentals in the beach area west of Camino del Mar present no problems to neighbors. For daily exercise, we walk extensively in the neighborhood around 10 p.m. Never have we heard any loud music or other noise emanating from short term rentals--including the one immediately adjacent to our property. Second, Del Mar has a very effective noise-regulation: If two neighbors file a formal complaint with the city, the city can take the offending property owner to court. No other regulation is necessary.

The proposed regulations are unenforceable for the following reasons: House sitters and house guests are completely indistinguishable by sight from short-term renters. How could the city insist that home owners prove that house sitters and guests are not paying for the privilege of living near the beach? This would entail a massively expensive bureaucracy to police the neighborhoods and would be extremely antagonistic and unpleasant for home-owners. How could a home-owner prove that a house-guest was not paying any rent? Besides, the city does not even enforce the no-smoking ordinance for public places such as the sidewalks outside Bully's and Jimmy O's. Unenforceable regulations are counter-productive.

Sincerely yours,
Linda and Nicholas Holland
2102 Coast Blvd
Del Mar, CA 92014-2122

Shaun McMahon



From: Jonah Mechanic [REDACTED]
Sent: Sunday, November 08, 2015 8:55 AM
To: Adam Birnbaum
Subject: Short term rentals are good for the community - we just need enforcement of common sense regulations

Hello Mr. Birnbaum,

I am writing you today in support of short term rental in Del Mar. Short term rentals provide alternative accommodations to visitors who spend money in the city of Del Mar. They also allow homeowners to supplement their income which in turn leads to them investing this money back into their homes, which leads to nicer houses and a better community. In addition, **if done correctly**, these guests do not have a negative impact on the community. Lastly, I am a supporter of property rights and feel that as long as these guests are not having a negative impact on the community, owners property rights should be protected.

I understand that like anything, when there is an opportunity for income, some people will take advantage and push the limits as far as they can. However, we must understand that these are the minority of short term rental owners, not the majority. Common sense regulations are needed and they need to be enforced. If not, a minority of the short term rental owners will do anything they can to maximize their rental income. Occupancy limits, noise restrictions with fines to both the owner and the guests, and parking restrictions are all ways to accomplish this goal without sacrificing homeowners rights. Yes, there are probably a few bad owners and a few bad guests, but that means the majority of owners and guests are good and have a positive impact on the community.

There is no reason to punish the majority because of the minority. Let's implement common sense regulation to force the few bad owners and guests out and protect the rights of the responsible owners and guests.

Thank you

Jonah Mechanic

Shaun McMahon



From: Kimberly Jackson [REDACTED]
Sent: Saturday, November 07, 2015 4:19 PM
To: Adam Birnbaum
Subject: Vacation Rentals: No min on length of stay please

Dear Planning Commission, City Council Members, and Adam Birnbaum,

I am writing to voice my opinion on the proposed rules for Vacation Rentals. A minimum length of stay SHOULD NOT be enforced. I also disagree with a monthly and or yearly cap. It will put us all out of business and the tourists will go to other beach towns. Children are in school from the day after Labor Day and on. I cater to families, that is my niche, "Kid friendly". Families do not travel while kids are in schools, so most of our Fall business are 2 and 3 night weekend stays only. Also, a survey within the City of San Diego revealed that the average length of stay visitors come to town is about 3.4 days. If you enforce these new proposed rules, these paying customers will go somewhere else, they won't be spending their money in Del Mar.

One of the homes I manage in the beach colony has/had 9 Fall bookings this year (From day after Labor Day until Dec 1st). Eight of them were for 2 or 3 night stays. Only 1 of them is for 7 nights and that is Thanksgiving Week. So, my owner will lose 8 deals if you make a mandatory 5 or 7 night stay. This is ALOT of income to my owner, and also alot of commission to myself as a single Mom residing in Del Mar. You will put us all out of business..... This family has multiple homes in town and has been renting for nearly 20 years.

The 2nd colony home I manage has/had 8 bookings this Fall and 6 of them were for either 2 or 3 nights. One of them is a 6 nighter over Thanksgiving. If you make it mandatory to stay 5 or 7 nights, we lose 7 deals, again ALOT of money to this family. We again will go out of business.

My final example is also a colony home, and has/had 9 bookings this Fall. Seven of those deals are also 2 or 3 night stays. At this home we lose 7 deals if this rule comes into effect. For this home, that is over a \$21k loss for my owner and over a \$4k loss to me. Again, we go out of business.

These are just examples of a few of the local homes I manage, what about everyone else who isn't speaking up, isn't aware of the proposed rules, etc? What about all of that future TOT tax you don't get to collect? What about all of the money those families spend in town at restaurants, bars, boutiques? It all goes to another beach town where they don't enforce this kind of rule.

Please do not nickle and dime all of us. We have been doing this for a long time and this is our livelihood. How can I stay in business if you take all of my Fall business away? I will have to move my kids out of Del Mar schools because I won't be able to pay my rent and my mortgage here in town. With my business going under, my cleaning company I use goes out of business. My handymen, plumber, electrician all lose business. My owners will have to sell their homes. Lets get these "Good Neighbor Policies" in place and see if that helps? There are only a few people who are having issues, like Robin Crabtree. Please don't punish all of us because she is having issues with the house next door.

Thanks for reading, please don't let this happen.....

KIMBERLY JACKSON : OWNER

VACATION RENTALS BY KIMBERLY
VACATION RENTAL & PROPERTY MANAGEMENT

858.252.8001 : 503.957.9354

Shaun McMahon



From: Bruce McDermott >
Sent: Friday, November 06, 2015 4:51 PM
To: Adam Birnbaum
Cc: BMac7660@aol.com
Subject: Short-Term Rentals: Open to Some Regulation...But Please Let's Not Complicate This!
(The McDermott Family: 25th Street, East Side)

To the Del Mar Planning Commission Members.

As long-time Del Mar property owners, we currently rent our family home selectively throughout the year to short-term vacation guests -- seeking a larger home for a family to share. We're highly selective in who rents our home and demand a substantial security deposit up front to understand their commitment to treating our home like their own and to respecting the rules of the house as well as our Good Neighbor rules to respect our neighbors.

We've reviewed the proposed plans for regulation and while we were not in favor of too much heavy-handed governing, we understand the need for regulation -- to a point.

To simplify our points of view, the following are things we can live with:

- Zones: We believe citywide is best and most fair. Most of the rental activity is in the coastal zone anyway.
- Minimum night rentals: 3-night minimums (long weekends for visitors near and far are the norm). No minimums would be better but 3-nights are preferred.
- Maximum night rentals: Prefer no cap, but yearly would be most reasonable (vs. monthly) and 275 days proposed would be doable.
- Occupant limits: 2 per room plus two is fair and reasonable -- given presence of children.
- Limit on non-occupied visitors: we don't want a party house any more than our neighbors do. However, full-time residents also have lots of traffic so I'd prefer this as an understanding rather than a tough to manage dictate.

As for requirements, here's our feedback:

- Floorplans and layouts: no problem
- Parking (off-street) designations: no problem
- Liability Insurance: we already have this for our short-term rental (will need to be modified but doable).
- Permit/License/Inspection: no problem
- Good Neighbor Policy: already have one in place but we welcome a revision.
- On-Property Contact Info: we have an onsite property manager that lives onsite in front rental unit. No problem.
- Security Deposit: this is an unusual item. I'm sure the deposit will be reasonable but need to understand further what it solves.

What's being proposed collectively is a lot of work for many owners -- and for us, too. This commands incremental costs (license, deposit, liability insurance for \$1MM per occurrence) on top of the existing costs. However, when you require these items and place many more restrictions on can do and cannot do activities and then put a cap on how many nights in a month or year and how long a guest can stay, that is hugely and negatively impacting business opportunity and it also sends a pretty negative message to potential visitors to our properties -- and to OUR CITY. That's even before the discussion of a Transient Occupancy Tax.

Please walk before you run. Cities like Carlsbad have tried to keep the rules logical, simple and easy to communicate and understand and it seems to be working.

Thank you in advance for reading this.

Best regards,
The McDermott Family (JP, Billy, Laurie & Bruce)
25th Street

Shaun McMahon



From: Gina C. Mattern <[REDACTED]>
Sent: Sunday, November 08, 2015 4:47 PM
To: Adam Birnbaum
Subject: Vacation rentals

I am writing out of concern for some of the proposed restrictions being drafted for the ordinance on short term vacation rentals.

There are most concerning is limits on the numbers of days per month or year. This would have a huge impact on my ability to generate revenue AND limit how many visitors are likely to come enjoy Del Mar.

I only rent my property in the summer. So to limit the number of days in a month I could rent force me to turn away visitors and money. On average I am able to get 9 weeks of the 12 weeks of summer booked.

I have owned my property 15 years, in the past (before I moved into the condo) it was available for rent year round. I averaged between 165 to 180 days of occupancy. It appears to be a misconception that vacation rentals are booked continuously. It is certainly not the case in the 16 unit complex I reside in. The best year I had was a 65% occupancy rate.

Let's focus on encouraging being good landlords or property managers. Educating the community on how vacation rentals are vital to Del Mar's economy. If the naysayers understood how vital tourism is to our economy they may be more open to suggestions and compromise.

Gina Mattern
2731 Camino del Mar

Sent from Yahoo Mail on Android

Shaun McMahon

203

From: Juliana Maxey-Allison [redacted] >
Sent: Saturday, November 07, 2015 1:24 PM
To: Adam Birnbaum
Subject: Red Dot letter

Hello:
I am unable to attend the November 10th meeting but I am in support of rentals in the city of Del Mar residential zone being no less than 30 days.

Best,

Julie Maxey-Allison

Shaun McMahon

253

To: Adam Birnbaum
Subject: FW: Planning Commission November 10 Agenda - RED DOT regarding Agenda Items 2 and 3

Dear Planning Commission and City Staff,

I believe this approach to the short term rental issue is backward and putting the cart before the horse. Good legislation does not tear up the system that has been in place since the City was incorporated to deal with a new problem. Good legislation looks at what changes are necessary in the existing scheme in order to meet with new circumstances. A practice that was not contemplated because it did not exist when the zoning code was adopted has arisen. In some areas of town it is already weakening the fabric of the community which has been so carefully and consciously sustained through adherence to the **Community Plan's** vision of Del Mar. This worm eating through the community must be stopped before it destroys the community, area by area. Other communities in California have successfully dealt with the issue and there is no reason that Del Mar cannot and will not. But the approach taken in Items 2 and 3 are not it. I urge you to study what other towns have done and to prepare similar legislation, and to do it on a tight time frame to preserve our community plan now before any more conversions from single family residence to Short Term Rental businesses occur.

Ira Sharp
Crest Road



To: Adam Birnbaum
Subject: FW: Short Term Rentals

As more and more communities act, with reason, to limit and control short term rentals, communities that don't have restrictions will face greater and greater pressures from for-profit owners who know a good thing when they see it. Don't let Del Mar become a "party town"!

Should Del Mar allow term rentals and where? What kind of beast are they?

As you read the Staff report suggesting that they be allowed only with permits, licenses, deposits, sign posting and more, it becomes pretty clear that these establishments are businesses. As such, they belong in a business zone where the frequent arrivals, departures, and play time do not impinge on the lives of regular residents, and there is some kind of management to keep things in check. The obvious Zone is VC, but the other C zones could probably be modified to allow them.

I do not buy the argument that these rentals are needed allow poor Mrs. Widow to remain in her home, unless she needs multi-bucks to support her life style. Present Code allows her (or anyone) to rent a room to an individual, and this type of rental would probably provide more affordable opportunities for sharing our City. Rather than support the widow, short term rentals are more likely supporting vacations to Bora Bora or lining the pockets of outside entities such as Airbnb which have no interest in contributing to the community.

In-and-out rentals, like the second home glut, deprive the City of caring full-timers (like you) who contribute to maintaining this special place, taken for granted by passers-through. I have lately heard more than one resident complain that they seem to be the only Del Marian on the block. Not good!

If you do recommend allowing these rentals in R- districts, then they should only be where a resident will be on site during the stay. The recommendation of having someone off-site, available on call leaves me with the mental image of some poor impacted neighbor trying to creep up to the rental door at 2AM to find a phone number as the party plays on inside!

This is not an easy decision, but please try to make it with consideration of the expectations of full-time Del Mar residents.

Barbara Stegman
1174 Oribia Road
Del Mar

(858) 755-8784

Shaun McMahon



To: Adam Birnbaum
Subject: FW: Red dot..Planning Commission

RECEIVED

NOV 09 2015

CITY OF DEL MAR
PLANNING DEPARTMENT

- >
- > Adam please share this Red Dot
- >
- > I live in the beach community.
- > Each year more and more homes are being used for short term vacation rentals.
- > This can include a rental for a few days to a couple weeks.
- > Fewer and fewer residents living in the homes in Del Mar. Very few long term rentals available.
- > I have had numerous complaints regarding some of the renters. Sometimes the owners are available to assist. If the owners do not respond, the residents have no one else to turn to. There is no available enforcement.
- > I believe that all of the residential zones in the City of Del Mar should all be treated equally.
- > Let's not divide our city. We have residents throughout the entire city and we all need to stand together and support each other.
- > I believe that rentals throughout all the residential zones should be no less than 30 days.
- >
- > Thank you.
- > Robin Crabtree
- >
- >
- >
- > Sent from my iPad
- > <Items 02 and 03_Staff Report and Exhibits.pdf>

Shaun McMahon



From: Csilla Crouch <csilla@sbcglobal.net>
Sent: Friday, November 06, 2015 8:38 AM
To: Adam Birnbaum
Subject: Short Term Rentals

RECEIVED

NOV 06 2015

CITY OF DEL MAR
PLANNING DEPARTMENT

Hi Adam,

As a resident of the Beach Colony, and having 10 VRBO listings within 150 feet of my full-time residence, I kindly request that the following be taken into account (especially because it appears the number of these available rentals is likely to go up):

1. Limit the number of tenancies permitted during a 30 day period, and limit the total number of occupants to no more than 2 per bedroom.
2. Require owners to obtain permits for operating STRs.
3. Have an effective enforcement policy in place, and a contact for resident owners to call when rules are violated, especially with respect to noise between 9pm and 9am. Rules and regulations need to be in place, owners need to include them in their rental contracts, and ultimately owners need an incentive to be selective when contracting with tenants. After 3rd complaint, permit to operate STR to be revoked.
4. The policies should be for ALL the residential zones in Del Mar...we should all be treated equal...all of our property values are at stake.

Thank you for passing this on to the planning commission and for taking this input into account.

Respectfully,
Csilla Crouch

Csilla H. Crouch

Broker Associate

Berkshire Hathaway HomeServices, Inc.

1234 Camino del Mar

Del Mar, CA 92014

858.245.6793 Mobile

858.284.2259 Fax

csilla@sbcglobal.net

For the Planning Commission meeting on vacation rentals.

My name is Ken Assi at 1997 Zapo street, and I spoke at the city council in support of short term rentals. However, I left out the most important part because I didn't imagine it would be relevant. My house is in old Del Mar on the HILL . It has ocean views and is walking distance to the beach. As I mentioned I have been renting it for a few years (about 8 weeks in total per year) and the income allows my family to go on vacations. I want to share some facts with you that you could only find out by talking to people who rent on the hill in order to allow you to make an informed decision. The facts are in bold and my comments follow.

- **In four years I have only had one 30-day rental. I have had dozens of three day rentals and 7 day rentals.** I have not allowed any rentals shorter than that. So the idea of restricting rentals to 30 days would effectively mean you eliminate the ability for vacation families who want a bigger home and more private experience to enjoy Del Mar, the beach and the races and eliminate the ability for owners who rent those homes to afford nice vacations receive additional income. In other words, there is no difference in the length stay requested by renters on the hill versus on the beach, and renting on the hill has also been a tradition for decades. Families come for the races the beach and the views and spend significant amounts of money in town. Finally we are part of the same coastal commission designated area as the beach. One family spent over \$200,000 in one week of local shopping and I know this because the bags and receipts were piled up in my closet. Celebrities and dignitaries from foreign countries have stayed in my house with their extended families and they would not have stayed in Del Mar otherwise because there is no hotel that could accommodate them in the same fashion.
- **The majority of requests are in the summer however a significant amount come throughout the year, especially around winter breaks.** These families should be especially encouraged to come when our local businesses are struggling to make it through the winter. So restricting the hill to summer months would eliminate at least 40% of my visitors and at times we need them the most.
- **Houses on the hill cannot sustain continual vacation rentals all year long. They would be naturally rented less than half of the time they are listed as available unless they were rented at an extreme discount.** Because of this reason, I would deem it reasonable that you restrict rentals on the hill to a minimum of 3 days and cumulative vacation rental period of 4 or 5 months maximum per year. I don't suggest this because although there are dozens of vacation rental homes on the hill there are almost no complaints from residents regarding this as an issue. However, I would offer it as a compromise that takes in account the practical reality of rentals on the hill, allows

homeowners the ability to rent their homes and afford nice vacations themselves without turning their house into businesses, and does not devastate the vacation rental benefits to the city if you choose to levy restrictions on the hill.

- **I have never received a complaint from a neighbor about a rental but I have received complaints from neighbors about people talking to loud in my back yard in the middle of the day while I was home.** So, I suggest if you're going to install a penalty system to vacation renters it should be very objective, clear, and verified by a third party like the Sheriff's notes of the incident.

I'd like you to consider that we allow a fairground that creates noise every summer night on the hill and my neighbors to have loud dogs in their backyards that keep everyone up at night throughout the night and yet we now want to restrict people from living in a rented home for their vacation. I am happy to discuss my practical vacation rental experience on the HILL with the council to help them make an informed decision and offer up proof of any of the facts I've conveyed here. Please call me on my cell phone at 858-405-2952 if you have any questions.

Ken Assi



Shaun McMahon

From: nancy@mexicohouse.com
Sent: Wednesday, November 04, 2015 4:07 PM
To: Adam Birnbaum
Subject: Fwd: Short Term Rentals

RECEIVED

NOV 04 2015

**CITY OF DEL MAR
PLANNING DEPARTMENT**

Adam. I would sure like to find out just how many people are being bothered by these rentals. I would guess that only a few are really bothered. Like all hot topics a few people jump on the band wagon and want instant results. In this case we need to go slow until we have more data. In this town a few people are always complaining about something (fairgrounds noise) and we should be sure of the impact before we capitulate to a few desires. In this case most of what I hear is based on this MIGHT happen to you someday. What about the homeowner who has a new large family move into the house next door and uses their swimming pool a lot. Can we -- or should we pass another law saying no swimming after 6pm?

Many people in Del Mar, some on fixed income, rent their property to supplement their income. This has been going on for years with only minimum disruption to neighbors. To force these people to pay a fee to register as a rental and then charge them a 13% TOT fee is at best not very democratic. There are plenty of rules regarding what we can and cannot do with our property, but this one could potentially turns many of us into Hotel owners. If people misuse their property let the person offended call the owner or the Sheriff. We pay him enough to handle these complaints. Dick Murray 124 Spinnaker, Del Mar.

----- End forwarded message -----

Comments on Short Term Rentals
(submitted by Betty Wheeler on 11/8/2015 for the Planning Commission meeting
on 11/10/2015)

Conducting Business in Residential Zones

Some short-term rentals may be occasional (e.g., only during race season), or occurring in a home used primarily as the owner's residence and taking place when the owner is present (i.e., a spare bedroom is rented), or temporarily away (e.g., on vacation). However, an increasing number of short-term rentals in Del Mar involve year-round rental of the entire house, frequently for very short periods with a high turnover rate, and with the owner permanently off-site. In these cases, the house is really no longer a residence at all, but rather, a business operation. I urge you to carefully consider the impact on residential neighborhoods of allowing business uses to take place that would not be permitted if they were any business other than vacation rentals. I also urge you to carefully consider the impact of short-term rentals on issues of affordability, civic engagement, and neighborhood quality.

Some key points:

The only differences between a B&B or small boutique hotel, neither of which is allowed in residential zones in Del Mar, and a short-term rental, are essentially negative -- there is no staff on site to monitor inappropriate guest conduct, to deal with complaints from neighboring properties, or to ensure compliance with occupancy limits or parking rules.

If short term rentals are allowed in a residential zone, the following incongruity would be introduced into Del Mar's zoning code: If I rent my entire 5-bedroom house on a short term basis, year round, it might be permissible for me to have up to 11 people using my property, with perhaps a different group of people checking in every few days, and a cleaning team coming by every few days to clean the property between rentals. However, if I wanted, instead, to use one of my rooms as an office for a home-based business, while continuing to use the majority of the property as my residence, I would not be allowed to have even a single person come to my property to work as my assistant (or even to have any other person in my employ), nor would I be able to have even one client come to my home-based office for a meeting, or have supplies delivered, based on the prohibition on generating pedestrian or vehicular traffic. Thus, I would be allowed to use my home as a very intensive business use as a short-term rental (10+ people on-site plus regular visits by a cleaning crew; significant pedestrian and vehicular traffic and parking; frequent turnover; absentee owner) that completely eliminates any use of my home as a residence. However, I would be in violation if I used even one room of my home for a much less intensive use as a home office ("home occupation"), if I received even an occasional client visitor or delivery, even though the primary purpose and use would be as a full-time residence for my family.

This is because "home occupations" are strictly regulated by the Municipal Code:

Home Occupation: An occupation or business conducted entirely within the main building by a member of a family residing therein, conducted as an incidental use to the primary residential use thereof, and in which there is no sign used; no display; no stock in trade or commodity stored, rented or sold upon the premises; no person employed other than the member of the resident family; no deliveries made or other pedestrian or vehicular traffic generated; no mechanical equipment used or kept on the premises except those customarily found in the home; no commercial vehicle used or kept on the premises in connection with such home occupation or business.

Perversely, this means that if I were an absentee owner, I could use my property intensively as a short-term rental, with 10-11 people plus cleaning crew coming and going at all hours, but as an owner residing on-site, I could not use a small portion of my home as an office for a low-key home-occupation, with only a part-time assistant or occasional business visitor or delivery, nor could I rent more than one room for residential purposes (as an accessory use), regardless of the size of my house or the amount of off-street parking I have.

This inconsistency, in my opinion, should be resolved in favor of the use that is best aligned with the stated goals of the Community Plan and the Zone in question.

Inconsistency with R1-10 Zone Characteristics and RC Zone Requirements

The R1-10 Zone is described in Chapter 30.12 of the Municipal Code as follows:

"The R1-10 Zone is designed to provide for an area of one-family residential development at a density level consistent with the City Community Plan. The standards of the zone are intended to preserve an open and uncrowded character and protect the unique residential environment of Del Mar. The standards are intended to promote and protect those special amenities associated with a district of single-family homes."

A small boutique hotel is not permitted in the R1-10 Zone. A bed-and-breakfast business is not permitted in the R1-10 Zone. Even renting out a room to more than one person is not allowed, since the allowable accessory use is described as follows:

"The renting of not more than one room to not more than one person, or the providing of table board to one person, or both." (Section 3.12.040B)

Yet, if short-term rentals are allowed in the R1-10 Zone, then the number of rooms and the number of people to whom rooms can be rented will increase significantly for every

house in the R1-10 Zone -- increasing from the currently allowed one room/one person (as an accessory use) to up to ten (10) or even more, assuming the allowable number is based on two persons per bedroom plus one.

Often, homes in the R1-10 Zone that are used as a family home for full-time residence are occupied by a smaller number of residents than would be allowed under proposed short-term rental regulations. For example, a 4-bedroom home might be occupied by an adult couple and two children. Short-term rentals often advertise and book at much higher densities -- two-plus persons per bedroom, and the rental group often includes 2 families sharing the vacation rental. This significantly increased density has a negative impact on neighborhoods and on the intended R1-10 Zone character, which is one-family residential, with an uncrowded character.

A similar analysis should apply to other Zones; the one above applies to the zone applicable to my residence.

RC Zone -- It is particularly instructive to look at the current zoning regulations with respect to the Residential-Commercial (RC) Zone, which explicitly allows for commercial use in what is otherwise a residential zone. Specifically:

- The RC Zone recognizes the importance of a transition between residential and commercial activities, with a maximum of 40% of the total floor area allowable for commercial use.
- In contrast, conversion of a residential property to a short-term rental business use allows for 100% of the total floor area to be used for commercial purposes. This provides for no transition between residential and commercial activities, nor would there be an overall limit on how many properties in the zone could be converted to this commercial, non-residential use.
- The RC Zone requires payment of a Housing Reduction Mitigation Fee if the project reduces the number of dwelling units on a property.
- In contrast, conversion of a residential property to a short-term rental business use does not require payment of a mitigation fee -- yet, a property used for short-term rental is no longer a true "dwelling unit" any more than a hotel room is considered to be a "dwelling unit." In fact the Code's definition of "dwelling" explicitly excludes "hotels, boardinghouses, [and] lodginghouses" (Section 30.04.040).

It would be incongruous to allow a more intensive commercial use in the R1-10 Zone than is currently allowed in the RC Zone.

Inconsistency with Affordable Housing and Density Bonus Goals

The City has been struggling to comply with affordable housing mandates, and has established density bonuses to increase the stock of affordable housing in Del Mar. (This is especially significant because, at the time the Community Plan was adopted, Del Mar was characterized by a large population of UCSD students, as well as professors and other academics, relying on a supply of more affordable housing that existed in Del Mar at that time.) Though properties used for short-term rentals were typically constructed as full-time residences without a density bonus, they are effectively allowed a density bonus in a key way, because of the greater number of people who are using the property as a short-term rental -- and they have this benefit even as the economics of short-term rental make housing in Del Mar significantly less affordable.

Furthermore, when a house is converted to short-term rental use, it is no longer available to meet full-time residential needs, contributing to the loss of residential housing stock in Del Mar, and driving up the cost of the remaining housing stock. It is evident that the market rate for short term rental of a property is substantially higher than for a long-term lease of the same property. While it may be the case that none of the residential properties involved would have rental rates that make them affordable to lower-income households, it is certainly the case that the economics of short-term rentals have a negative impact on would-be residents who are moderate-income families, seniors, or first-time house buyers, all of whom are the intended beneficiaries of density bonuses.

Of particular note, the Municipal Code's Density Bonus provisions (Chapter 30.90) require a determination by the City Council that inclusion of commercial uses will result in restricted (affordable) housing, and are compatible with existing development in the area, before a commercial use can be included in a housing development project:

[T]he concessions/incentives that may be granted for a Density Bonus Project include, but are not limited to the following: . . . Approval of mixed-use zoning in conjunction with the housing project if the City Council, in its review of a proposed Density Bonus Project, determines that inclusion of the commercial, office, industrial, or other land uses would result in identifiable, sufficient, and actual cost reductions that would make it financially feasible for the applicant to construct a Density Bonus Project with restricted housing units and if the commercial, office, industrial, or other land uses are compatible with the housing project and the existing or planned development in the area where the project will be located.

Yet, allowing short-term rentals in residential-zoned areas effectively converts the entire property to a commercial use (if the property is a full-time short term rental) or to a mixed commercial-residential use (if the property is used for both residential use by the owner and short-term rentals), without the individualized Council review and findings that would be required to allow mixed-use zoning as a density bonus even where affordable housing goals are advanced by the mixed use.

Distinguishing between significantly different types of uses

If it is possible to codify short-term rental regulations that treat significantly different types of uses appropriately (that is, consistent with the stated Zone characteristics and key neighborhood quality of life), then I would support codifying and regulating short-term rental uses appropriate to the Zone, while clearly disallowing short-term rental uses that are not appropriate to the Zone. This would make it clearer what is allowed and what is a violation; it would facilitate enforcement of appropriate regulation through business licensing, TOT collection, and enforcement actions; and it would allow short-term rentals while still protecting fundamental neighborhood characteristics as envisioned by the Community Plan and the Municipal Code. In my opinion, key distinctions that support different treatment include:

- Whether or not the owner is on-site during the rental;
- whether the rentals are occasional or booked on a year-round basis;
- the minimum duration for any rental (or the maximum allowable number of rentals per 30-day period);
- whether commercial use is generally allowed in the relevant Zone;
- whether off-street parking is available to support the occupancy that is advertised for the property (and note that a high occupancy rate for short-term rentals may call for more off-street parking than is generally required for currently allowed primary residences, accessory uses or secondary dwellings).

There are no doubt other factors which have a significant impact on the neighborhood and on the intensity of use, and all such factors should be carefully considered in any regulatory scheme for short-term rentals, and in delineating where short-term rentals are allowed or disallowed.

Similarly, the following factors should be carefully considered in establishing regulations and enforcement mechanisms that will protect neighbors and neighborhoods from negative impacts:

- specific provisions regulating noise, parking, maximum occupancy (including day visitors), etc.;
- requirement that the above provisions be included in the contract with renters;
- creation of "good neighbor" guidelines that must be distributed to renters;

- specific and progressive fines and other penalties, including loss of business license, for violations of provisions regulating noise, parking, maximum occupancy, etc.;
- security deposit from property owner that can be forfeited for violations of regulations;
- mandatory business licensing, with a specific provision for notice to neighbors before license renewal, to allow the license renewal to be contested based on past violations or problems that have a negative impact on the neighborhood;
- collection of TOT for short-term rentals, with collected funds used for monitoring and enforcement of applicable regulations, including a "hot line" that neighbors can call to report noise or parking problems, violation of regulations, etc., with sufficient staffing for prompt response;
- payment of a Housing Reduction Mitigation Fee, as is required in the RC Zone, based on the fact that conversion of a residential property to short-term rental use reduces the number of "dwelling units" on a property, given that a short-term rental is the functional equivalent of a hotel use, and does not provide a "dwelling unit" as that term is defined in the Code, which explicitly excludes "hotels, boardinghouses, lodginghouses..." from the definition of "dwelling."

Many of these concerns are addressed in the draft provided for your consideration by staff, and I think it is important to carefully consider each one, both in terms of regulation and enforcement.

Meeting requirements applicable to zoning changes

In my opinion, allowing short-term rentals in zones where they are not already clearly allowed is effectively a zoning change, which should occur only in compliance with the requirements for any other type of zoning change, including specific written findings with respect to the following:

1. That there are changed conditions since the previous zoning became effective to warrant other or additional zoning;
2. That the granting of such zoning will be in the interest or furtherance of the public health, safety, comfort, convenience and general welfare, and will not adversely affect the established character of the surrounding neighborhood, nor be injurious to other properties in the vicinity in which the rezoned property is located;

3. That the granting of such zoning conforms to the general purpose, planned use, and intent of the adopted Community Plan, or any ordinance, regulation, or plan in effect to implement said Community Plan.

Economic and Aesthetic Ripple Effects of Short-Term Rentals

There are significant impacts of short-term rentals that are not mitigated simply by regulating these rentals to minimize immediate negative impacts on neighbors and neighborhoods. These include:

- To the extent that houses are converted to short-term rental use, housing stock and housing affordability decline for permanent residents (or would-be permanent residents) -- specifically, making it less possible for moderate-income families to live in Del Mar, which has a disproportionate impact on families with children, as well as academics and others associated with UCSD who have historically been residents of Del Mar, and who have contributed enormously to our civic, intellectual and cultural life. See the Community Plan's "Del Mar in the Present" section, for instance, for its recognition of the role of UCSD students and employees in our city.
- While rising property values benefit current residents if and when they sell their property, there are notable differences that flow from different causes of those property value increases. Historically, I believe that our property value trends have been essentially rooted in the what the Community Plan identified as the "special character of Del Mar, the elements of which are a village-like community of substantially single family residential character, a picturesque and rugged site, and a beautiful beach..." (Community Plan, page 20), and everything we have done as a community since the adoption of the Community Plan to protect and preserve our village-like character, our neighborhood quality of life, our open spaces, and environmental amenities. In other words, our property values traditionally have been rooted in Del Mar being a great place to live, NOT because our properties are a source of profit as rental properties.
- In contrast, property value increases that are inextricably linked to rental profits should not be seen in a positive light, because degradation of residential quality of life is an almost inevitable trade-off. With the significant growth of short-term rentals in Del Mar, that growth certainly spikes property values, but it comes at the expense of Del Mar's single family residential character, the un-crowded nature of our neighborhoods and "the special amenities associated with a district of single-family homes" that are occupied by full-time residents who have a stake in our civic, intellectual, and cultural life.

- The impact of short-term rental growth is greater and more negative than that from the parallel trend in recent years of increased house sales to seasonal residents. In those instances, homes are often unoccupied for large portions of the year, which has a negative impact on the "feel" of our neighborhoods, but seasonal residents at least define themselves as residents, rather than visitors, and are much more inclined to want to get involved in Del Mar's community life than transient, short-term renters. Also, they often end up living here full-time after retirement, which makes them more fully involved as voters, volunteers, and residents active in our civic, intellectual and cultural life.
- As more houses are converted to short-term rentals, we are experiencing a profound change from true neighborhoods, where neighbors know each other, watch out for each other, and maintain peace and quiet as a mutually beneficial characteristic, to an area increasingly dominated by transient use, with increased traffic, noise, "vacation" or "party" mentality, and less incentive to be a good neighbor.
- Houses purchased for short-term rental use are more likely to produce different design and remodel choices that further separate these houses from true residential properties. Short-term rental owners are motivated to increase the number of people who can be accommodated, and in a location like Del Mar, to add outdoor amenities that facilitate and increase large-group uses of outdoor spaces. Classic Del Mar cottages and historic homes are likely to be viewed as less significant or worthy of protection by absentee owners whose primary motivation is profit. These differences have an impact on the overall neighborhood character, and incrementally change the residential qualities of our neighborhoods. An absentee owner who is remodeling primarily for financial benefit simply does not have the same stake in neighborhood character as a resident who lives in the neighborhood and has a shared interest in the overall feel of the neighborhood, and in good neighborhood relationships.

I hope you will consider all the above factors in considering how short-term rentals should be treated in Del Mar, and above all, that you keep the values of the Community Plan at the forefront as you evaluate these issues.

Respectfully submitted,
Betty Wheeler

2+3

Shaun McMahan

From: Doyle, David C. [REDACTED]
Sent: Monday, November 09, 2015 7:39 PM
To: Adam Birnbaum
Cc: Nancy Doyle
Subject: Short Term Rentals

RECEIVED

NOV 10 2015

CITY OF DEL MAR
PLANNING DEPARTMENT

Dear City Council,

I write to express my deep concern about the potential impact of short-term rentals on our community. I wish I could be there this evening to speak in person, but I am traveling on business in Japan.

The Internet has given birth to the "sharing economy", which is rapidly transforming many world wide industries. The most familiar, dramatic example is the taxi/chauffeur industry. What is soon to be an equally dramatic example is the short term property rental industry.

In my view short-term rentals, now supercharged by the Internet, poses the biggest challenge to the residential character of Del Mar in its history. In just a few short hours on a computer, a property owner anywhere in the world can transform a residence into a mini-hotel. In a matter of months a residential neighborhood can be fundamentally changed into a business district. This threat looms particularly large in areas attractive for vacationing. The impact is completely different from that of longer-term rentals, which have long coexisted with the residential character of our community.

I urge the City Council to take strong measures to counter this growing threat to the character of Del Mar - ALL of it, not just the areas further from the beach. If it does not, many of the residents of Del Mar will be left with no choice but to relocate to a city that does protect its residential character. The resulting transformation will fundamentally change the character of Del Mar forever.

David Doyle

Sent from my iPhone

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Shaun McMahon



From: Melinda Gould
Sent: Tuesday, November 10, 2015 8:11 AM
To: Adam Birnbaum
Subject: FW: Short Term Rentals

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NOV 10 2015

CITY OF DEL MAR
PLANNING DEPARTMENT

Melinda Gould
Receptionist
City Of Del Mar

-----Original Message-----

From: Barbara Stegman [mailto:barbarastegman@delmar.gov]
Sent: Monday, November 09, 2015 8:52 PM
To: City Hall Mail Box
Subject: Short Term Rentals

As someone who has worked on Del Mar housing issues for a long time, it has suddenly occurred to me to wonder what effect the sanctioning of short term rentals in R-Zones would mean in relation to meeting State requirements for housing.

The State sets requirements for the number of residential dwelling units (DU) that each jurisdiction is expected to provide to meet State housing requirements. Del Mar has struggled mightily in attempting to meet these numbers. Every existing and potential unit counts! So, my questions are:

Given that short term rentals provide transient (hotel type) occupancy, what happens to Del Mar's established count of residential DU's when one of the units is issued a business license?

What if the license is only for part of a DU, or is that even possible?

If I am correct in assuming business licensed units would no longer be counted as housing stock, how could the City build-up the housing stock numbers to counteract this loss?

The State is watching closely, so it is important that we add to, not subtract from, our housing stock numbers. Their big threat, of course, is that they will take over our Zoning authority if we don't make concrete efforts to meet the set goals.

Sorry for the second red dot, but this is important!

Barbara Stegman

1174 Oribia Road
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(858) 755-8784