WORKSHOP #2 - SHORT-TERM RENTALS
City of Long Beach
July 21, 2018
AGENDA

1 Background
2 Community Input
3 Case Studies
4 Next Steps
5 Activity Instructions
Short-Term Rental Ordinance Development Process

- On-going Coordination + Collaboration
- Research + Analysis
  - Kick-off Workshop
  - Online Survey
  - Case Studies
  - Workshop #2
  - Draft Report
  - Public Review Workshop
  - Final Report
  - Council Meeting
  - Code Amendments
  - Hearings

- Alternatives

- Code + Hearings

Key Deliverable

Council Meeting

We are here

Public Engagement

Key Deliverable
Short-Term Rentals and the City’s Code

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

Hosted STRs are allowed with limitations “Room Rental” Allowed
- Owner must live in home
- Two-room maximum
- Not detached
- No independent exterior entrance
- No kitchen

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

Loud parties are prohibited

City’s Code needs updating to address STRs

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Short-Term Rentals in Long Beach

1,532 active listings
1,328 active rental units
(0.75% of housing stock)

Source: Host Compliance
Stakeholder Interviews

How has your community been affected, either positively or negatively, by short-term rentals?
In your opinion, what are the opportunities relating to short-term rentals in Long Beach?
Stakeholder Interviews

In your opinion, what are the challenges relating to short-term rentals in Long Beach?

- Housing shortage: 10
- Party houses: 8
- Parking: 7
- Enforcement: 6
- Safety/liability: 6
- Competition with hotels: 5
- Irresponsible hosts: 4
- Community character: 4
- Absentee owners: 3
- Perceived property value decline: 3
- Not paying for impact on services (trash, etc.): 3
- Data not reliable: 2
- Lost TOT: 2
- Rent increase: 2
Kickoff Workshop – May 2, 2018

- Over 250 attendees
- Over 60 speaker comments
- Over 80 comment cards returned
Speaker themes

• Many attendees were on-premise STR hosts who reported positive interactions with guests and reliance on supplemental income.

• Many complaints (noise, parking) were voiced regarding non-owner occupied STRs in coastal areas.

• Party houses were raised as an issue, including lack of enforcement.

• Concerns voiced on STRs impact to the rental stock and housing shortage.

• Comments expressed STR guests support local businesses.
Comment Card Responses

**Perspective on Short-Term Rentals**

- STRs should be banned, 10
- STRs should be legalized (without regulation), 6
- STRs should be regulated but not banned, 26
Online Survey – June 2018

596 responses (de-duplicated)
- 533 primary residents (89%)
  - 162 STR hosts/operators (27%)
  - 159 Neighborhood Association/Organization members (27%)

Is Long Beach your primary place of residence?

![Bar chart showing the distribution of responses to the question: Is Long Beach your primary place of residence?](chart.png)
What is your perspective on short-term rentals in Long Beach? [Choose one]

- Supportive with regulations: 45%
- Supportive with no regulations: 35%
- Opposed with or without regulations: 15%
- Not sure/Undecided: 5%
Online Survey – June 2018

In your opinion, should the City of Long Beach establish regulations for short-term rentals that...

...rent out entire or whole homes?

...rent out rooms or a portion of a home?
Online Survey – June 2018

Which (if any) of the following potential regulations should the City of Long Beach consider for short-term rental (STR) regulations. [Select all that apply]

Skip this question if, STRs should not be allowed or allowed without any regulation.

- Limit the number of guests or occupants in a STR: 58%
- Require a 24-hour local contact for each STR: 51%
- Require all City rules and requirements be clearly posted in a STR: 45%
- Require STRs to pass a safety inspection: 34%
- Require owner-occupancy (only allow hosted STRs): 32%
- Enhance City enforcement: 32%
- Limit STRs to one per resident (require resident status): 28%
- Prohibit a STR to be identified with an exterior sign: 28%
- Restrict the number of days a STR may be rented per year (hosted or un-hosted): 27%
- Require neighbor notification before a STR can begin operation: 26%
- Restrict the number of days an un-hosted STR may be rented per year: 24%
- Require additional parking for a STR: 24%
Online Survey – June 2018

Which (if any) of the following potential City requirements should the City of Long Beach include in a short-term rental (STR) ordinance. [Select all that apply] Skip this question if, STRs should not be allowed or allowed without any regulation.

- Payment of 12% Transient Occupancy Tax (Hotel Tax-6% General Fund and 6% advertising and promotion fund) 53%
- Provide an amnesty or a grace period to allow the community to adjust to new regulations 42%
- Require a unique STR permit for all STRs 37%
- Require an annual or biannual registration/renewal fee 36%
- Require a business license 33%
- Require a unique STR permit for un-hosted STRs (not occupied by the owner) 29%
- Other (please specify) 17%
Do you have anything to add?
Case Studies

Four case studies represent a range of STR approaches (*Long Beach is not limited to these approaches*)

- San Francisco
- Santa Monica
- Newport Beach
- Sacramento
San Francisco, CA

- 1 STR/resident
- Primary resident (275 nights/yr)
- 90 nights of un-hosted rentals allowed per year
- $250 registration fee every 2 years
- Prohibited in affordable housing units and accessory dwelling units (ADUs)
- Property liability insurance
- Hosting platforms remove invalid listings (settlement agreement)
Santa Monica, CA

- Only hosted STRs allowed (“home sharing”)
- Must advertise as a shared space
- No application fee
- New accessory dwelling units (ADUs) considered as a separate home
- Public online Home-Sharing Registry
- Include listing URL in application
- Case pending between City and hosting platforms (Airbnb and HomeAway)

**Home-Sharing Registry**

<table>
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<tr>
<th>License Number</th>
<th>DBA</th>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
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<tbody>
<tr>
<td>220290</td>
<td>Nykki Harlin</td>
<td>644 PIER AVE #4</td>
<td>SANTA MONICA</td>
<td>CA</td>
<td>90405</td>
</tr>
<tr>
<td>220274</td>
<td>Eve Weston</td>
<td>1050 12TH ST #5</td>
<td>SANTA MONICA</td>
<td>CA</td>
<td>90403</td>
</tr>
<tr>
<td>220269</td>
<td>Inner Fitness, Inc.</td>
<td>2624 5TH ST #4</td>
<td>SANTA MONICA</td>
<td>CA</td>
<td>90405</td>
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<tr>
<td>220276</td>
<td>Inner Source Solutions, LLC</td>
<td>744 PIER AVE #1</td>
<td>SANTA MONICA</td>
<td>CA</td>
<td>90405</td>
</tr>
</tbody>
</table>
Newport Beach, CA

- STRs not allowed in single family residential zones (R-A and R-1)
- STRs in single-family homes as of June 1, 2014 grandfathered
- No limit on un-hosted stays
- $93 application fee
- Local 24-hr contact
- Provide guests with rules and regulations (parking, trash, etc.)
- In-unit posting of conditions
- Include business license number in listing
Sacramento, CA

- Primary residence may rent home as a STR (must reside in home 184 days/year)
- Non-primary residences may be rented for 90 days/year
- Conditional Use Permit for non-primary residences rented > 90 days/year
- $125 application fee; $90 annual renewal
- No more than 6 guests at a time
- Local 24-hr contact
- Provide guests with rules and regulations (parking, noise)
- 200ft notification after permit issued
- Include permit number in listing
<table>
<thead>
<tr>
<th>Event</th>
<th>Date/Timeframe</th>
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<tbody>
<tr>
<td>Public Review Workshop</td>
<td>October 10, 2018</td>
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<tr>
<td>City Council direction on preparing ordinance</td>
<td>November 2018</td>
</tr>
<tr>
<td>Following steps based on City Council direction</td>
<td>Post-November 2018</td>
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</tbody>
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Scorecard Activity

• Walk Around – Check out informational boards
• Ask questions!
• Fill out Scorecard
• Drop off Scorecard on your way out
• 12:00pm - End
Stay informed, see you soon, and thank you!

City of Long Beach – Short-Term Rental Project Webpage:  
http://www.lbds.info/lbshorttermrental/

City of Long Beach – Email list sign up:  
http://www.longbeach.gov/linklb/

City of Long Beach – Project Contact:  
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Administrative Analyst  
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Public Review Workshop: October 10, 2018