

Ad Hoc Committee Recommendations to Short-Term Lodging Ordinance

City Council Study Session



November 19, 2019

Short Term Lodging – 1,468 Active STL Permits

1. Renting 30 days or less is not a property right
2. City can allow STL with restrictions or not allow it
3. Newport Beach has a long history of STL
4. Ad Hoc Committee focused on striking the right balance between allowing STL and quality of life

Ad Hoc Committee on Short Term Lodging Public Meetings

1. August 19 - Community Meeting
2. October 14 - Council Member Herdman Town Hall
3. October 26 - Council Member Brenner Town Hall

Operators

New Application Requirements

1. STL permit number required on all advertisements
2. Number of bedrooms required on all applications
3. Max Occupancy based 2 people per bedroom + 2
4. Only list legal units that are compliant with zoning, permitting, and business license

$$\text{Max Occupancy} = (\text{No. Bedrooms} \times 2) + 2$$

Example: 3 Bedroom Home

$$\text{Max. Occupancy} = 3 \text{ Bedrooms} \times 2 = 6 + 2$$

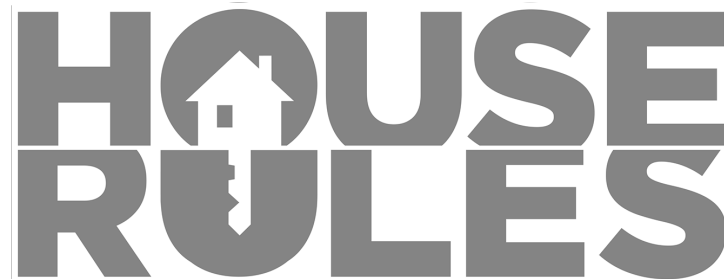
$$\text{Max. Occupancy} = 8 \text{ Overnight Occupants}$$

Operators

Interior Postings

Shall post inside the unit:

1. Provide 24 hour local primary contact information –Live Person
2. Provide location & number of on-site parking spaces
3. Provide street sweeping schedule
4. Provide trash collection schedule
5. Loud and Unreasonable Noise Ordinance in effect from 10 pm to 10 am
6. Notice that guests are responsible for all actions and may be fined



Operators

Sign Outside Unit

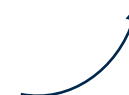
Post a sign outside the unit the following:

1. Local primary contact name (or management company) – live person
2. Maximum Unit Occupancy
3. Primary contact phone number
OR
3. Answering Service (\$35,000 / year)

EXAMPLE:

123 Beach Co.
555-555-555
Occupancy Limit 8

Max. 2 s.f.



Parking

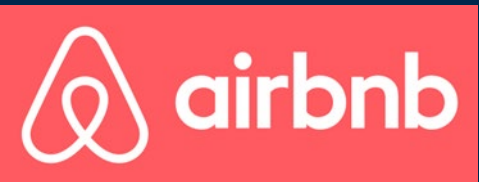
1. Require one parking space for every unit.
2. Parking must be on property either in the garage or driveway

1 Unit = 1 Parking Space
2 Units = 2 Parking Spaces

Garage, Carport or Driveway



Hosting Platforms



Hosting Platforms shall do the following:

1. If platforms collect the TOT, then they need to remit the TOT
2. Shall not collect or receive a fee for facilitating services to an unpermitted rental

Maximum
Num. Permits

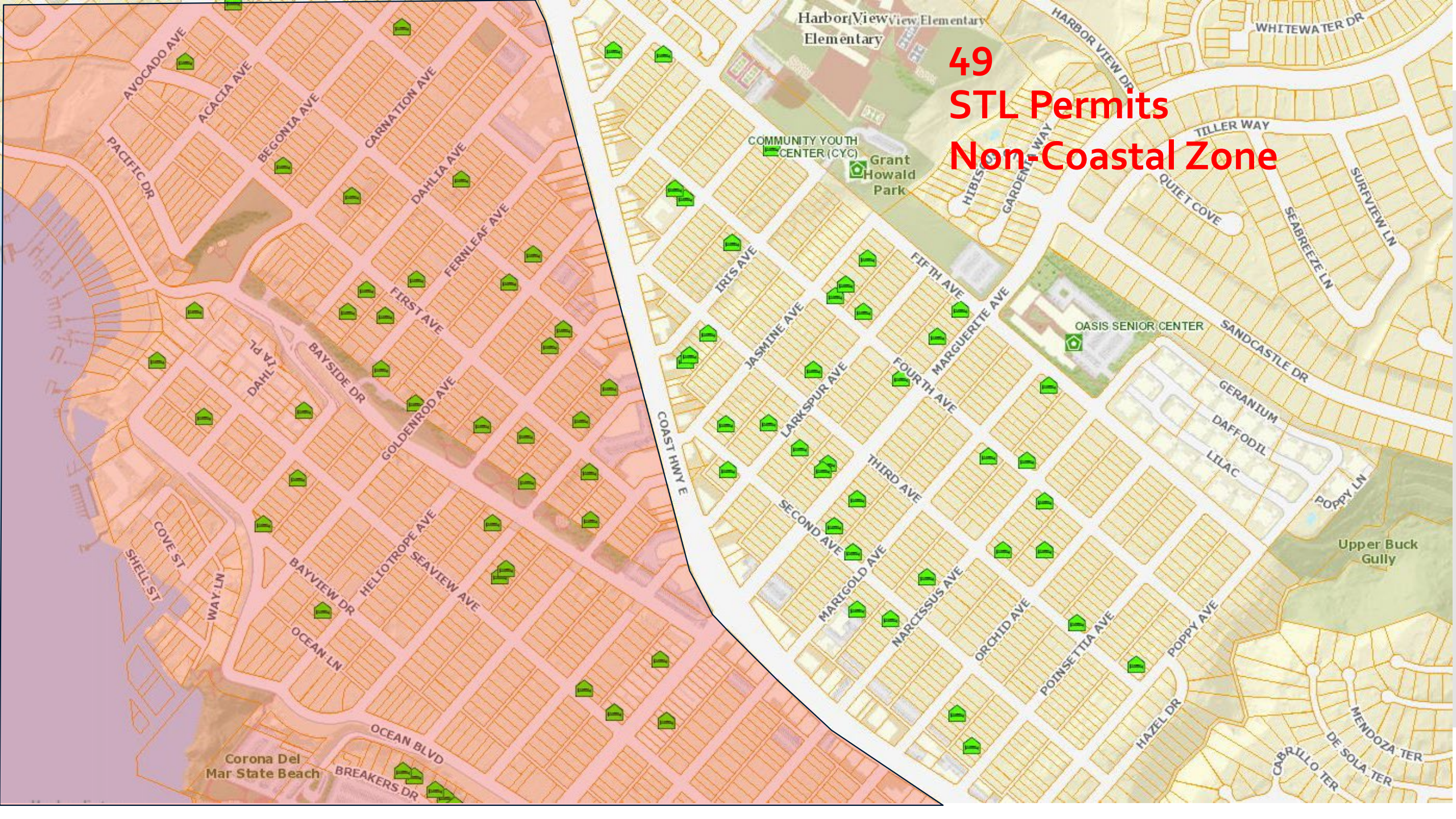
Non-Coastal
Zone

1. Cap Number of Permits = 1,600 at any time

- Wait list will be created.

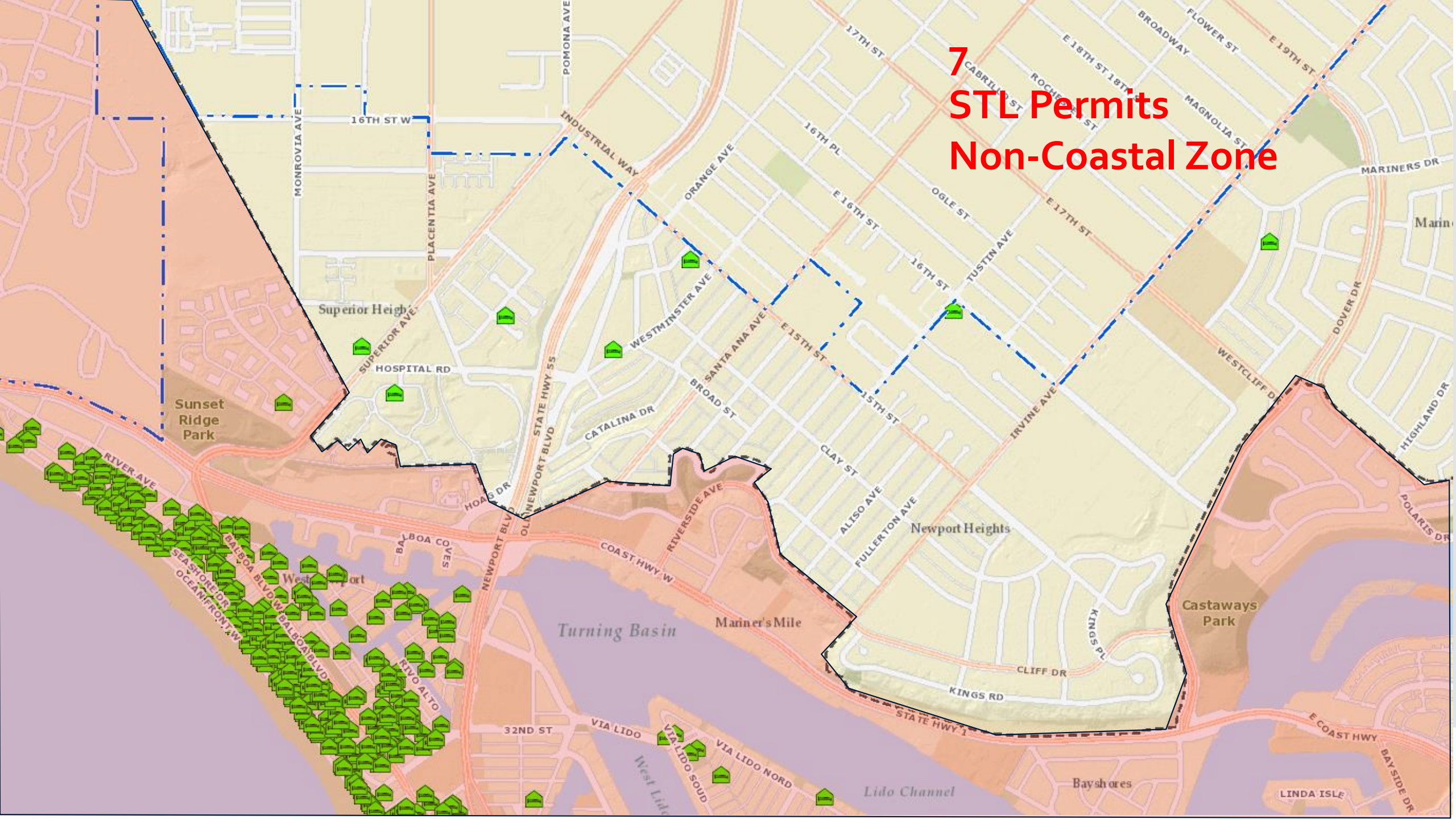
2. Non-Coastal Zone – 58 STL Units

- Not allow new STL permits in non-coastal zone
- Grandfather current STL permits in non-coastal zone
- 10-year abatement for current STL permits in non-coastal zone



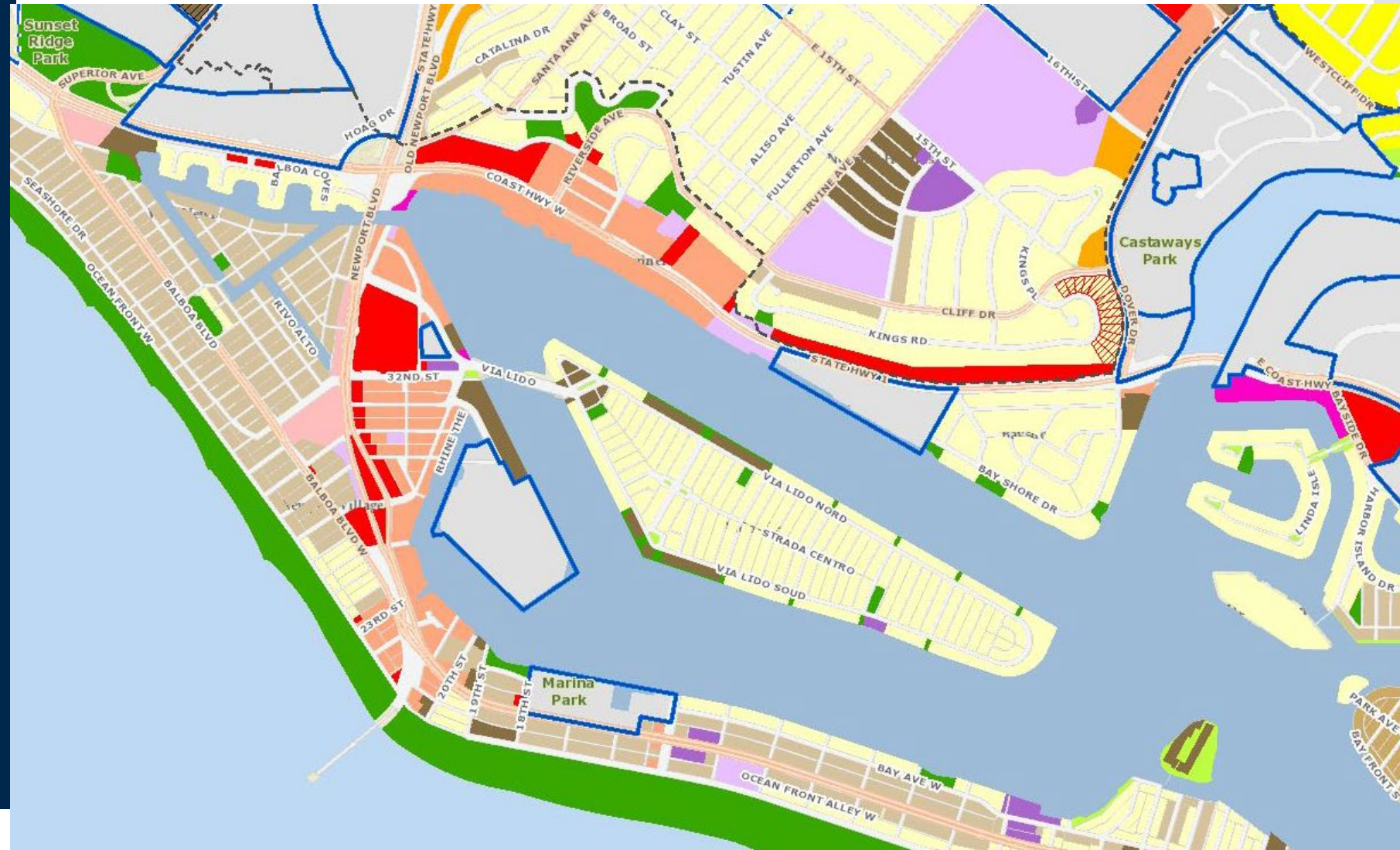
49
STL Permits
Non-Coastal Zone

7 STL Permits Non-Coastal Zone



Allow STL in Mixed-Use Zones 533 Parcels

Mixed Use
Zone





City Enforcement

Enforcement:

1. Close STL permit after two years if reporting \$0 TOT Owner can always renew permit
2. 6- Month suspension of STL permit for 2 or more violations of the Muni Code in a 12-month period.
3. 12- Month Suspension (or revocation) of STL permit after 2 or more violations of Loud and Unruly Gatherings Ordinance (LUGO) in a 24 month period.
4. STL permit may be revoked

Costs and Staffing

Answering Service:

\$35,000 / year (or \$25 / permit)

Senior Fiscal Clerk: 0.6 FTE to 1.0 FTE:

\$60,000 increase / year (or \$41 / permit)

Initial Permit: \$103 (current fee) + (\$25) + (\$41) =
\$169

Summary

1. STL permit number required on all advertisements
2. Max Occupancy: 2 people per bedroom + 2
3. Interior rules posted (trash, street sweeping, 24 hour contact #)
4. Parking: 1 Unit = 1 Space
5. Exterior Signage – Max Occ., contact name, answering service
6. Cap STL permits throughout City to 1,600 permits
7. Platform responsibility (no booking if not legal, remit TOT)
8. Allow STL permits in Mixed-Use zone (533 Parcels)
9. Tougher enforcement regulations
10. Abate non-coastal zone STL permits (58 Units)



Community
Development
Department
&
Finance Department

Thank you

Questions?

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