Public Comments Study Session – Short-Term Rentals

Written Comments Received After 12pm on 06/24/2024



June 24, 2024 City Council Meeting **From:** Bryan Reinero

Sent: Monday, June 24, 2024 2:50 PM **To:** Public Comment; _City Council

Subject: Short Term Rental Study Session Comments June 24th, 2024

[CAUTION: External Email]

Mayor Vauterlas and Council Members

Thank you for responding to the deep concerns of the community regarding the proliferation of unhosted STRs in Pacifica. I was gratified to have Council persons Beckmeyer and Boles join myself and 70 neighbors at the Firehouse for our June 13th community forum on the topic of STRs. There we shared information on the current state of STRs in Pacifica, what other cities have done to protect themselves from the effects of unhosted STRs, and what the characteristics of a good STR ordinance are.

Ironically, on the very night of the Community Forum, at 10 PM, the Pacifica Police broke up a party in the unhosted STR that sits across the street from my home, where I am raising my three daughters. This STR is operated by a company outside of Pacifica, which owns well over 24 properties in San Mateo County, and has previously listed this small, 1080-square-foot house as accommodating 12 persons. They also house uests in the detached garage of this house, a violation of the building code.

This particular full-time unhosted STR is just one instance of an already common catastrophe sweeping through our neighborhoods. Residential houses are being converted to full-time, unsafe, and unregulated hotels, and are part of a larger portfolio of houses owned by out-of-town corporations. Pacifica's current STR ordinance has long been insufficient, and residents across the entirety of Pacifica are now all but certain to be living within a stone's throw of one of these properties, unregulated hotels or party houses.

The idea that STRs are simply a means for local residents to supplement their income by renting a room in their primary residence is not born out by the data. I have reviewed data freely available from https://insideairbnb.com/ and have found that the 124 entities currently operating STRs in Pacifica:

- At least 46 operators from outside Pacifica, but the number of out-of-town operators
- could be well into the 70s.
- 5 are out of state
- 1 is out of country
- The total number of Pacifica homes run by out-of-town operators is at least 98, but could
- be well over 120

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87% of these listings are at least 2 bedroom homes, suitable for a family.

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60% of unhosted STRs are part of a larger portfolio

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Airbnb operators in Pacifica have a cumulative portfolio well into the thousands.

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Other communities across the state and in San Mateo county have taken action to properly update their ordinances. Pacifica's lack of adequate enforcement and a proper ordinance is apparent when we compare the number of STRs in our city to the rest of the county.

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Pacifica ranks 2nd in the number of unhosted STRs per resident, for San Mateo County

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Pacifica beat out 16 other San Mateo communities in the sheer number of unhosted STRs.

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Pacfica has more unhosted STRs than San Bruno, San Mateo, South San Francisco, and Milbrae

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Pacifica and 2 more than the combined total of Foster City, San Carlos, Burlingame, East
Palo Alto

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Pacifica has just 2 less than the combined total of Half Moon Bay, Belmont, Atherton,

Woodside, Brisbane, Hillsborough, Colma, and Portola Vallev

•

Operators in Pacifica are taking full advantage of the lack of enforcement. The listings data reveal that operators are violating the law by listing ADU and in-laws as STRs, and I see at least 4 operators running multiple listings off a single permit.

There is very little financial benefit we get for tolerating this situation. According to Pacifica's 2023-2024

Adopted Budget, The city of Pacifica is spending \$285,300. STR permit fees do not currently cover this cost, and even with a proposed increase in permit fees, continuing to allow STRs to operate as planned will cost Pacifica \$42,000. In addition to the money we lose in our anemic regulation of STRs, Pacifica schools lose funding as well. I have made note to the Council that if just half the unhosted STRs in Pacifica were home to a child, our schools would have \$1.68 million in funding. This is based on the per-pupil amount of the California Department of Education Budget Act of 2020-21. The per-pupil amount in the most recent California DoE

<u>Budget Act for 2023-24 is</u> up \$6910 from the 20-221 budget. That means that **our schools are on track to lose \$2.3 million this year due to STRs**.

For those who are concerned about preserving the property rights of homeowners, I have good news. There is no threat to existing property rights. Individuals have the right to buy multiple homes in Pacifica, as well as the right to rent out homes to long-term tenants. Tenants who, I would add, have their own rights and protections. Businesses are welcome to open any properly zoned hotel, motel, or bed breakfast that is compliant with fire and building codes, is ADA accessible, lawfully permitted, insured, compliant, and fair labor laws. I think the Council would agree that any business which fails to operate within that standard regulatory framework is neither a reputable business, nor welcome in our city.

Please also remember that residential zones, are by definition, for residents of Pacifica. They are not for commercial enterprises, unregulated hotels, or tourist accommodations.

Regards, Bryan Reinero

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From: George P. Surmaitis <gps@surmaitislaw.com>

Sent: Monday, June 24, 2024 8:17 PM

To: Judy surmaitis; _City Council; Public Comment; Vaterlaus, Sue

Subject: Re: Short Term Rentals

[CAUTION: External Email]

Thank you for your time in the meeting tonight. I felt that the Mayor and City Council understood the concerns of residents well, and also brought up good questions. There are different facets to this, and I can see that over time there will be some solutions.

George P. Surmaitis
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From: Bryan Reinero

Sent: Tuesday, June 25, 2024 11:16 PM

To: Public Comment; _City Council; Woodhouse, Kevin; Beckmeyer, Sue; Vaterlaus, Sue;

Bigstyck, Tygarjas; Bier, Mary; Boles, Christine

Subject: STR Study Session: Thank you

[CAUTION: External Email]

Mayor Vaterlaus and Members of the Pacifica City Council

Thank you for organizing yesterday's STR study session. I very much appreciate the time and attention given to the topic. Thank you also for hearing the voice of the community.

I'd like to emphasize that the current problems our city is experiencing with STRs are not exclusively quality of life issues. There are very real dangers to persons staying in STRs. Just as the STR operating at 400 Belfast has illegally converted a garage into guest accommodations, many other STRs may be operating in violation of building and fire codes. We can see from the listings advertised on Airbnb that many STRs in Pacifica are ADUs. As these operators already openly flout our very permissive ordinance, I suspect that many of these ADUs are unwarranted, do not conform to code, and are unsafe.

Please remember that customers staying in STRs have a right to safe accommodations, and it is the job of the Code Enforcement officer to assure that all homes and businesses are inspected and compliant with regulations. I encourage the Council to prioritize the inspection of STRs as a matter of public safety.

It seems fashionable these days to deride regulations and vilify regulators, and I'm deeply concerned with the "build first, ask questions later" attitude of many public servants and candidates. Please remember that codes and regulations are the reason that our homes do not collapse on us during an earthquake. Regulations are what keeps a fire in one home from sweeping through an entire neighborhood. Codes and regulations are what enable a family to escape a fire in their home, and are also what protects the firefighters who come to their aid.

A single family home is not designed to the same standards as a hotel. We see that STR operators in Pacifica are perfectly comfortable to pack numbers of guests in single family homes in excess of the design criteria of the house. Imagine the terrible inevitability of a fire breaking out in a house that is not ADA compliant, and where disabled person is staying. That house is packed with guests who panic and inhibit the disabled person from exiting the house, which already lacked proper accessibility affordances. Let's please apply the lessons learned from incidents such as the Ghost Ship warehouse fire.

As I've stated before, people have the right to buy as many homes as they can afford, and to rent them at fair market rates to long term tenants. They may exercise these rights as long as they do not infringe on rights and protections of their tenants and neighbors. No one is entitled to retain a second home, or a vacation home simply because they have inconvenient career circumstances. Limiting STRs one per natural person, where the house is the owner's primary residence, and limited to 60 days of rental is reasonable and generous.

Please also continue to regard City Staff's revenue estimate with healthy skepticism. I myself am unsure how City Staff can produce high quality numbers when there it has so much difficulty monitoring and inspecting STRs. Staff members themselves admit STRs are a complex issue for them. I recommend that the Council require City Staff to fully, and

publically document and detail their methodology. Adhering to a "sunshine policy" is always beneficial to everyone involved.

I again appreciate the Council taking action on this very important issue.

regards, Bryan Reinero

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From: Beckmeyer, Sue

Sent: Wednesday, June 26, 2024 12:56 PM

To: Public Comment

Subject: Fw: STR Study session: follow up

Attachments: Proposed Amendments to City of Pacifica's Current STR Ordinance by Pacifica Are Not

HotelsFINAL(2).pdf

Please include Mr. Furlong's follow up comments to the public record on the STR issue.

Thank you,

-- Sue B.

From: Gary Furlong

Sent: Wednesday, June 26, 2024 6:29 AM **To:** _City Council <citycouncil@ci.pacifica.ca.us> **Cc:** Woodhouse, Kevin <kwoodhouse@pacifica.gov>

Subject: STR Study session: follow up

[CAUTION: External Email]

Mayor and Council Members:

I would like to thank all of you the time you have put into the Short Term Rental (STR) issue. I applaud the fact that not only have you endured long sessions regarding this issue but that you all have shown that you have spent considerable time away from meetings reading and studying the almost endless pages of material provided both by the city staff and by those of us who have submitted written comments about this issue; it was obvious at the study session that you were well versed in the materials that had been submitted..

I do not know what the proper procedure might be to offer additional comments on the Study Session so I will include some follow up thoughts on this note. If this seems redundant or out of place then I apologize in advance.

As this difficult topic is addressed there are going to be so many details that will threaten to derail the city's effort to bring this under control. I would suggest that you develop a few high level goals and use those as a test for everything else that will follow. For me these goals could be as simple as these three:

- 1. does this make Pacifica's neighborhoods a better place for Pacificans to live? For me, this is above all else.
- 2. does this contribute to our housing stock or does it remove housing stock for future long-term residents?
- 3. does this have the potential to add to our school system or will this contribute to its loss of students?

^{*} The question was raised by one council member on how a moratorium on STR permits differs from a cap. Several speakers (myself included) urged a moratorium on permits during the time this ordinance is in the process of being rewritten. With a cap in place during the study period, the number of permitted STRs can rise to the 150 cap. Then, as I understand it, as permit holders drop out, new permit holders can be added, keeping the number at 150 during the process of rewriting the ordinance. With a moratorium no new permits are issued until the new ordinance goes into effect. If there are currently 146 permit holders then that is the maximum number there will be during this period of transition. As permit holders drop out, the total number of permit holders decreases until such a time that the new ordinance take effect, along with whatever cap is in that ordinance. This seems the least complicated, fairest route as it would also decrease the number of permit holders who have had permits under the old ordinance that are not in compliance with the new ordinance (thus making the "grandfathering" issue apply to fewer permit holders). During the moratorium a list could be kept, in order of application, of those that wish to obtain permits under the new ordinance.

- * I would like to remind council members that the state of California has said that we are currently in a housing crisis. Every house that becomes an unhosted STR is one less house for an owner to occupy or for a full time renter to live in. I was certainly sympathetic to the two different people who spoke of owning properties in Pacifica that are now unhosted STRs. Both spoke of their love of Pacifica, one of their desire to one day live here again. But the reality is both cases is that both families have specifically chosen to remove houses from the full time rental/ownership market and put it into the unhosted STR market in order to increase their own profit. They are contributing to our housing shortage no matter how much they love Pacifica and they don't actually even live here. If they wish to own this property with the intent to eventually live in it, they have the option of making it a full time rental and helping our housing situation and our neighborhoods. In conjunction with this I would remind the council that ADUs were specifically permitted for the purpose of increasing our housing inventory as affordable, long term rentals; that is their reason for existing.
- * I would also like to remind the council that every unhosted STR represents the probable loss of additional children in our local school system. While a particular rental might not be rented by a family with children, the more rentals/owner occupied homes there are, the greater the statistical certainty that enrollment in our school system will be stable or increase. Again referencing the two families mentioned in the point above, since they have chosen to put their Pacifica properties into the unhosted STR program instead of long-term rental market they are excluding the possibility of additional children enrolling in our school system. Based on my understanding of what was said, the decision to do this was because they could make more money as an STR, love for the community notwithstanding.
- * Please don't think that the city needs to reinvent the wheel. Numerous cities around us have already dealt with the details of bringing STRs under control; I would encourage you and the city staff to look to them for what works and what doesn't work. Enforcement is something that seems to be of major concern and yet, again, I must point out that other cities around us have mastered it. Look to them for guidance. While a city may or may not be able to regulate that only a "natural" person can buy a house, other cities have evidently shown that cities can regulate whether or not permits are given only to "natural" persons. In the information that was submitted to the council Pacifica Homes Are Not Hotels has gone so far as to submit a model ordinance that can be easily used as a reference, especially as it has included extensive footnotes documenting the material and the cities it came from (this file is attached). This group (Pacifica Homes Are Not Hotels) can easily furnish referrals for groups that have helped other communities with this issue. And I would again recommend the excellent presentation that was made to the CCC on December 14, 2023 by Dr. David Wachsmuthon the issue of STRs: https://cal-span.org/meeting/ccc_20231214/ (his presentation begins at about the 59 minute mark).
- * "Primary residence" is another term that seems to be causing some concern. If you do an internet search for "how does California define primary residence" you will get numerous leads you can follow. Here's a link to the Cal. Board of Equalization's definition: https://www.boe.ca.gov/lawguides/property/current/ptlg/annt/505-0078.html I do think it is essential when considering "primary residence" that the city include a minimum number of days requirement, such as occupied a minimum number of days that is more than half of the year, which would make it impossible to claim two different primary residences. This requirement would preclude any possibility that someone would be buying up properties to remove them from the housing market as unhosted STRs as each person would only be able to own primary residence (I believe this would also preclude an adult from taking out a permit in a child's name unless they also want to put a residence in a child's name). When the STR rental companies first started out they were all about people renting out a spare bedroom (or even a spare sofa!), it was only much later that investors jumped in and make this all about buying up houses and gutting neighborhoods. Let's return this to its original model before investors got involved.
- * One of the speakers at the study session mentioned his love of Pacifica and his desire to continue to have his unhosted STRs. I may be mistaken but it would appear that those two units, prior to being STRs, were affordable housing. It would take additional research to be absolutely certain about this but that is what preliminary research indicates.

Finally, as you and staff review what other cities have done, I would encourage all of you to bear in mind that the STR situation has rapidly evolved over the last few years. Just as no other city should look to our current STR ordinance for guidance, we should be careful that we are not looking for guidance to outdated ordinances elsewhere as we update our

ordinance. As this industry is evolving the language of used to regulate it is evolving, a good example of this is the newer use of the phrase "natural person", among others.

Thank you for taking the time to read through this unfortunately long email.

Regards,

Gary Furlong

P.S. At a recent social gathering I overheard one of my neighbors discussing that he had received an unsolicited offer to help him manage his house if he wished to make it a STR (he doesn't!, even though there are STRs on two sides of his house). A quick internet search will show that there is now a whole industry out there that is designed to do just this. I ask again, what kind of neighborhoods do we want for our city?

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AMENDMENTS TO THE CITY OF PACIFICA'S CURRENT STR ORDINANCE

PROPOSED BY PACIFICA HOMES ARE NOT HOTELS, A COALITION OF PACIFICA RESIDENTS

(June 20, 2024)

Proposed Ordinance Amendments to Pacifica's Short-term Rental Program

RECOMMENDED ACTION:

Amend the City of Pacifica's current STR ordinance to protect the City's meager housing stock and limit the negative impacts of unhosted STRs on the character of and quality of life in Pacifica's residential neighborhoods.

<u>Section 1. Findings</u>. The City Council of the City of Pacifica hereby amends Ordinance No. 835- C.S. governing Short-Term Rentals (STRs) and declares as follows:

- a. The City of Pacifica is committed to its position as a destination for coastal tourism, offering rooms in hotel and motel establishments and RV parks accommodating recreational vehicles.
- b. The City Council seeks to support lower-cost visitor serving uses, including accommodations and coastal access pursuant to the California Coastal Act and its Local Coastal Program, while also providing opportunities for incomegenerating uses in areas that are already developed.
- c. The City Council further seeks to protect neighborhood integrity.
- d. The City Council has identified affordable housing as a multi-year priority and directed that existing housing stock be preserved for residential use.
- e. More than 200 STRs have operated within the city limits without benefit of compatible use regulations and registration requirements.
- f. STR vacation rental use has, in some cases, eliminated residential use of dwelling units, especially those used as "whole house" or unhosted STR operations, and thereby reduced housing stock.
- g. The operation of some STRs has caused significant disruption within various neighborhoods and required repeated code enforcement efforts; however, absent compatible use regulations and registration requirements, enforcement has not always resulted in sustained improvement.
- h. Research concludes that "hosted" STRs with direct oversight from the owner and/or long-term tenant operate more compatibly with their surrounding neighborhood and tend to be lower cost to visitors.

- i. Many other cities, including cities within the coastal zone, have implemented short- term rental regulations by imposing a primary residence requirement to ensure better local oversight and neighborhood compatibility.
- j. Many other cities, including cities within the coastal zone, have implemented STR regulations that limit the number of overnight stays per year for whole house or "unhosted" short-term vacation rental operations because unlimited and/or predominate use of residential dwelling units as unhosted STRs diminishes, and in some cases leads to discontinuance of, the primary use of the residence as a dwelling unit and thereby reduces local housing stock.
- k. Many other cities, including cities within the coastal zone, have implemented STR regulations that do not limit the number of overnight stays for hosted STR vacation rental operations in part because hosted short-term rentals are maintained as residential dwelling units, which is the intended primary use for residential development and maintenance of local housing stock.
- I. The San Mateo County 21 Elements collaborative group supports housing policy in San Mateo County and has identified that primary residence requirements and disallowing short-term rental use of accessory dwelling units are effective regulations for preserving housing stock for residential use.
- m. The proposed Ordinance amendments are consistent with the City of Pacifica's Housing Element, which contains programs to preserve housing stock.
- n. The proposed Ordinance amendments support hosted STR operations throughout the City as one of many available accommodation types. The City currently has significant visitor-serving capacity, including RV parks and hotels of every class, including "economy" to support lower-income visitors, as well as visitors seeking diversity with respect to accommodation type and location.
- o. The proposed Ordinance amendments support lower-cost visitor-serving accommodations through broad allowances for hosted STRs, which have been found through review of rental listings to offer some of the lowest-cost lodging rates in Pacifica. ¹

Section 2. Proposed Ordinance Amendments

Section 9-4.4902- Short-Term Rentals Permitted.

Short-term rentals are permitted in the City of Pacifica, subject to compliance with the following requirements:

 (a) No person may operate a short-term rental without first obtaining a shortterm rental permit issued pursuant Section 9-4.4903. STR permit application to include:

 $^{^{1} \} Adopted \ from \ LCP-2-HMB-21-0078-2: \ \underline{https://documents.coastal.ca.gov/reports/2023/3/W14b/W14b-3-2023-exhibits.pdf}$

- i. Name and contact information of the owner and/or operator who falls under the legal definition of a "natural person." All natural persons for whom the property is a permanent address shall be listed as "operator."
- ii. Site plan showing location of all existing buildings and location and dimension of on-site parking.
- iii. Floor plan showing all rooms with each room labeled as to room type, identifying only legal bedrooms as such.
- iv. <u>Proof of primary residence</u>. The owner/operator, a "natural person," shall provide documentation that the property where the STR is to be conducted is the owner's/operator's primary residence² (i.e., they physically live in the residence 275 days per year).³
- v. If STR is to be operated "unhosted," the name and contact information for designated operator/contact who will be available 24/7 (including all holidays) by phone during all times the property is rented and who can arrive at property within 20 minutes to respond to any issues.⁴
- 2. (b) In accordance with Section 9-4.453(a)(6), no person may operate a short-term rental in any accessory dwelling unit.
- 3. (c) Each person operating a short-term rental shall comply with the transient occupancy tax requirements set forth in Chapter 7 of Title 3 of this Code and shall obtain a Transient Occupancy Registration Certificate pursuant to Section 3.7-06.
 - (d) Each person operating a short-term rental shall obtain a business license and pay the business license tax required pursuant to Chapter 1 of Title 3 of this Code.
 - (e) No person shall operate or allow short-term rental of property in any location not approved for use as a permanent dwelling unit including, but not limited to, any vehicle, trailer, tent, storage shed or garage.

² From HMB Municipal Code, 2.g: https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

³ From Daly City's Short-term Rental regulations: https://dalycity.org/428/Short-Term-Rentals Also, from Millbrae's Municipal Code, Ordinance 771: STRR-Ordinance-771-PDF (millbrae.ca.us)

⁴ From HMB Municipal Code, 5.g: https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

4. STR licenses are subject to a one-per-parcel and 250' zone of exclusion limits. The zone of exclusion is the distance of 250 (250) lineal feet from an existing STR parcel boundary.

Section 9-4.4903- Short-term Rental Permit Required.

A short-term rental permit may be approved by the Administrator, provided that the Administrator determines the applicant has met the following requirements:

- (a) *Application*. The applicant must complete an application on a form provided by the City, accompanied by a fee established by resolution of the City Council.
- (b) *One-Year Waiting Period*. Any property owner who wishes to convert a residential property to an unhosted STR must wait a minimum period of one (1) year from taking ownership of said property before applying for a short-term rental permit. There is no waiting period for an owner who wishes to operate a hosted STR within their residence.⁵
- (c) *Proof of primary residence*. The owner/operator must provide official documentation proving the home is their primary residence, i.e., the owner/operator resides at the property a minimum of 275 days per year, including a copy of the property tax bill with the correct homeowner exemption designation and at least one (1) additional form of documentation such as a driver's license, DMV registration, or voter registration. A person may only have one primary residence at any given time. If a property has multiple dwelling units, as in an apartment complex, each dwelling unit shall be considered a separate residence subject to the primary residence requirement.
- (d) *Property owner consent.* If the applicant is a tenant, he or she must demonstrate written consent of the property owner to operate short-term rentals on the property. The City will then notify the property owner to confirm consent.
- (e) Contact information. The applicant must provide current contact information to the City, including the name and contact information for local party responsible and available by phone 24/7 for the dates when an unhosted STR is in operation and confirming they can arrive at property within 20 minutes to address any issues.⁶
- (f) Applicant must provide a list of all advertising platform(s) to be used in relation to STR and ensure the City-provided permit number is clearly and prominently included on all such advertisements.

⁵ Added as bulwark to protect Pacifica's housing stock from predatory buying.

⁶ From HMB Municipal Code, 5.g: https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

- (g) *HOA*. If the property is subject to a homeowners' association (HOA), the applicant must provide written approval from the HOA to use the property as a short-term rental.
- (h) *Proof of rental nights*. For any permit renewal, the owner must provide documentation of the number of nights the unit was rented during the prior year, including whether the unit was used as a hosted or unhosted short-term rental⁷.
- (i) Fee. The owner shall pay a registration fee prescribed by City Council resolution, no part of which shall be returnable to the owner. The City Council may establish fees that are different for initial registration of a new STR and renewals of registrations for existing STRs.
- (j) Additional Materials. Additional materials as deemed necessary by the Assistant City Manager may also be required.

Property Registration Requirements

The Assistant City Manager shall only register STRs that comply with all of the requirements of this Section, including:

- (a) Building and Fire Code Inspection. There shall be no outstanding building electrical, plumbing, fire, health, housing, police, or planning code violations or enforcement actions, including any notices of violation, notices to cure, orders of abatement, cease and desist orders, or correction notices related to the property on which the STR is to be located.
- (b) *Indemnification*. The property owner and any separate operator shall jointly and severally agree to indemnify, hold harmless the City and its officials, employees, and agents from any and all liability, actions, claims, damages, costs and expenses, including reasonable attorney's fees and costs, which may be asserted by any person or entity arising from or related to the issuance of the STR registration or its operations.
- (c) *Insurance*. The owner shall file a certificate of insurance showing the maintenance of specific short-term/vacation rental insurance in the amount appropriate to cover any liability of the operator for property damage and injuries to persons in connection with STB activities
- (d) Consent to Inspection. Consent to physical inspection(s) by City staff, contractors, or representatives for the purpose of verifying compliance with all STR regulations during regular business hours (9 a.m. to 5 p.m.) or if in response to a complaint, regardless of the time. Consent to provide records of compliance to the City within one (1) week of request.⁸
- (e) Business License. The owner/operator shall obtain a City of Pacifica business license.
- (f) Transient Occupancy Tax. Evidence of compliance with the provisions of transient occupancy tax (TOT), including registration certificate. For STRs operating prior to the date of application, payment of all taxes, penalties, and interest due is also required.

From LCP-2-HMB-21-0078-2: https://documents.coastal.ca.gov/reports/2023/3/W14b/W14b-3-2023-exhibits.pdf

⁸ HMB Municipal Code - 3. Registration Requirements https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html%2318.06

- (g) *Notification*. The owner shall have notified all neighbors within 500 feet of the STR property of intent to operate said property as an STR and posted a temporary sign for thirty (30) days on the property indicating intent to register as an STR.⁹ The notification and signage shall include the contact information of the local responsible party designated to respond to a complaint 24/7 and who can arrive at property within twenty (20) minutes. Once STR is registered, a permanent sign on the property is to be erected in public view, providing the name and phone number of said local responsible party and City-provided permit number.
- (h) *Compliance*. The property on which the STR will be located shall not have had two (2) or more violations of the City's Municipal Code within the last twelve (12) months from registration submittal and shall not have been denied registration or had registration revoked within the preceding twelve (12) months. Further, the STR's operator shall not have had two (2) or more violations of the City's Municipal Code within the last twelve (12) months from registration submittal related to any STR, shall not have been denied registration for any other STR within the preceding twelve (12) months, and shall not have had an STR rental registration or permit revoked at any time within the County of San Mateo. ¹⁰ Any host whose registration has been denied or revoked shall be ineligible from applying for a new STR registration for a 24-month period.
- (i) *Nuisance*. Operation of the STR must not be a public nuisance or threat to the public health, safety, or welfare. It also must not directly and negatively impact the quiet enjoyment of any neighbor's home within 500 feet of the property. ¹¹ There shall be no interior or exterior activity related to the STR that interferes with or is detrimental to residential use of adjacent property.

Section 9-4.4904- Permit Term and Renewal

A short-term rental permit is valid until October 31 of the year it is issued, unless suspended or revoked by the Administrator. The permittee may renew the permit annually, by submitting a renewal application and fee before the expiration of the permit. All neighbors within 500 feet of the STR shall be notified at least 30 days in advance by the STR owner/operator of intent to renew permit. Any host whose registration has been denied or revoked shall be ineligible from applying for a new registration for a 24-month period. An approved registration shall be personal to the Host and shall automatically expire upon sale or transfer of the dwelling unit. No registration may be assigned, transferred, or loaned to any other person.

⁹ Modeled on HMB Municipal Code 3.f - 100 feet increased to 500 feet for more broad neighborhood awareness.

¹⁰ HMB Municipal Code 3.h. https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html%2318.06

¹² Modeled on HMB Municipal Code 3.i. Language added re: protection of "quiet enjoyment of any neighbor's home" in response to significant neighborhood complaints across the City as heard at 3/9/24 goal-setting meeting. https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html%2318.06

¹² Modeled on HMB ordinance.

¹³ Modeled on Daly City ordinance.

Section 9-4.4905- Operating Requirements and Performance Standards

- (a) *Permit Required.* The short-term rental must be operated under a valid short-term rental permit issued by the City in accordance with Section 9-4.4903.
- (b) *Current Information*. The short-term rental permittee shall, during the term of the permit, promptly inform the Administrator regarding any changes regarding information provided in the application, including contact information, designation of local responsible party, and information regarding advertising platforms used by the permittee to advertise the short-term rental.
- (c) *Notification of City Registration*. The operator shall ensure that all advertising in any written publication or on any online website, or any other medium that lists or offers the availability or existence of the STR property, includes the city-issued STR registration number.¹⁴
- (d) *Notification of City Requirements*. The operator shall prepare a manual of City requirements and standards for STR renters to be reviewed by and kept on file with the Assistant City Manager. The operator shall provide said manual to all renters in conjunction with any booking, as well as prominently display manual in the STR. The manual shall include the contact information for the local responsible party who is available 24/7 and who can be at the property within twenty (20) minutes. Within two hours of arrival, guests are required to sign the City's Good Neighbor Agreement, verifying they have received manual and understand and will adhere to all noise, parking, trash, party/event restrictions according to the City's code.¹⁵
- (e) *Primary Residence*. No dwelling unit shall be operated as an STR unless the dwelling is the primary residence of the operator. (Primary residence to be defined as the residential property at which a person resides a majority of the time, i.e., 275 days per year, carries on basic living activities, is the place they usually return to in the event of travel, and can be substantiated through evidence such as a homeowner's exemption on the property tax bill, driver's license, DMV registration, or voter registration or long-term lease of the residential property.)¹⁶
- (f) *Maximum Number of Rental Nights*. An unhosted STR shall be operated no more than sixty (60) nights per calendar year. There are no rental night limitations for hosted STRs.¹⁷

¹⁴ From LCP-2-HMB-21-0078-2: https://documents.coastal.ca.gov/reports/2023/3/W14b/W14b-3-2023-exhibits.pdf

¹⁵ Good Neighbor Agreement modeled on document in effect in Trinidad, CA: https://www.trinidad.ca.gov/media/1881

¹⁶ Again, primary residence requirement language based on Half Moon Bay ordinance.

¹⁷ As per Half Moon Bay ordinance 5.c: https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

- i. An unhosted STR is defined as an STR use where a primary resident is not present during the course of the rental.
- ii. A hosted STR is defined as an STR where a primary resident, who is the operator and acting as host, occupies one or more bedrooms in a dwelling unit while other areas of the unit are rented for the purpose of transient overnight lodging.
- (g) *Minimum Number of Rental Nights*. An unhosted STR shall not be rented out for any one period of time for fewer than three (3) consecutive nights. There are no minimum rental night requirements for hosted STRs.
- (h) *Maximum Number of STRs per Owner/Operator*. The maximum number of STRs per owner or operator within the City limits is one (1).¹⁸
- (i) Maximum Number of STRs Per Site. The maximum number of STRs is one (1) per assessor's parcel number, one STR per residential condominium dwelling unit, or one STR per site developed within a duplex or triplex. An operator may register different areas of a site for use as an STR, but only one STR may be operated at a time.¹⁹
- (j) *Maximum Number of Rental Agreements*. Only one (1) rental agreement may be in effect for an STR at any one time.²⁰
- (k) Responsible Party. For hosted STRs, the homeowner shall be the host and the responsible party. For unhosted STRs, the responsible party may be the property owner, operator, or the operator's agent. In all cases, the responsible party shall be a local contact person who shall meet all of the following minimum qualifications:
 - i. Be available twenty-four hours per day and seven days per week when the STR is in operation (including all major holidays); and
 - ii. Be accessible and able to respond in person at the STR within twenty (20) minutes to any complaint regarding the condition, operation, or conduct of occupants of the dwelling; and

 $\underline{https://www.codepublishing.com/CA/HalfMoonBay/\#!/HalfMoonBay18/HalfMoonBay1806.html\#18.06}$

https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

¹⁸ As per Half Moon Bay ordinance 5.d:

¹⁹ As per Half Moon Bay ordinance 5.e:

²⁰ As per Half Moon Bay ordinance 5.f:

- ii. Be responsive and able to take remedial action to resolve any violations of the requirements of this section, up to and including eviction of the current renters.²¹
- (I) Maximum Overnight Occupancy. Overnight occupancy for STRs shall be limited to two (2) persons per bedroom, up to a total of eight (8) occupants. For a hosted STR, the bedrooms occupied by the host shall not be used in determining the maximum overnight occupancy for guests.²²
- (m) *Record Keeping*. The operator shall retain records documenting the compliance with this section for a period of three (3) years after any STR rental, including but not limited to, records indicating the history of all STR reservations on the subject property from the hosting platform or otherwise, records indicating the payment of any and all transient occupancy taxes, length of stay per reservation and number of persons per reservation. Upon reasonable notices, the operator shall provide any such documentation to the City.²³
- (n) *No Visibility*. Apart from a permanent sign listing the name and contact information of the local responsible party and STR permit number, the existence of the STR shall not be apparent beyond the boundaries of the site.²⁴
- (o) *Traffic*. An STR shall not create pedestrian, automobile, or truck traffic detrimental to property in the vicinity or neighborhood parking. The STR property address will also be clearly marked.²⁵
- (p) *Parking*. The maximum number of vehicles allowed at the STR shall be limited to one (1) vehicle per one-bedroom unit, two (2) vehicles per two- or three-bedroom unit, and one (1) additional vehicle for four or more bedrooms. On-site parking spaces shall be provided for at least fifty percent of the maximum allowed number of vehicles. No vehicles shall be used for overnight occupancy.²⁶

https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

²² As per Half Moon Bay ordinance 5.h:

https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

²³ As per Half Moon Bay ordinance 5.i:

https://www.codepublishing.com/CA/HalfMoonBay1#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

²⁴ As per Half Moon Bay ordinance 6.c:

 $\underline{https://www.codepublishing.com/CA/HalfMoonBay/\#!/HalfMoonBay18/HalfMoonBay1806.html\#18.06}$

²⁵ As per Half Moon Bay ordinance 6.d:

https://www.codepublishing.com/CA/HalfMoonBay1#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

²⁶ As per Half Moon Bay ordinance 6.e:

https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

²¹ As per Half Moon Bay ordinance 5.g:

- (q) Additional/Day-time Visitors. The total number of day-time visitors to any STR are limited to one-half the total number of permitted renters (e.g., the six (6) renters of a three-bedroom unhosted STR are permitted to have only three (3) day-time visitors). Further, day-time visitors are only permitted on the STR property between the hours of 7 a.m. and 10 p.m.
- (r) *Noise Limits*. All properties on which STR use is occurring shall be required to follow the standards set forth in Municipal code Sec. 5-10.01 through Sec. 5-10.03, with "quiet hours" observed from 10 p.m. to 7 a.m. Noise restrictions during quiet hours include, but are not limited to, loud voices, playing music, luggage dragging, and loading and unloading vehicles. ²⁷
- (s) *Building and Fire Codes*. All properties on which STR use is occurring shall remain compliant with all applicable building and fire codes.²⁸
- (t) *State and Local Laws and Orders*. All STR use shall comply with all applicable state and local laws and orders, including any public health order.²⁹
- (u) *Special Events*. STRs shall not be used for any commercial purpose (such as a corporate retreat or conference) or any event that is likely to result in violation of traffic, parking, noise, or other standards regulating the residential use and character of the neighborhood. Such events include weddings, bridal or baby showers, retreats, parties of any type, and concerts. ³⁰
- (v) *Trash and Recycling Management*. STR use shall comply with all trash and recycling requirements and scheduled solid waste pick-up days at least once per week. Trash and recycling containers shall be located to be readily accessible for guest use. No trash or recycling containers are to be left on the street after pick-up for a period of 12 hours or more.³¹
- (w) *Guest Safety*. The short-term rental permittee must provide the following materials electronically to any guests before arrival and make available printed materials on-site for the guest with the following information:
 - 1. (1) A diagram of exits, fire extinguisher locations, and fire and police contact numbers;
 - 2. (2) The short-term rental permittee's contact information;

²⁸ As per Half Moon Bay ordinance 6.g: https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

²⁹ As per Half Moon Bay ordinance 6.h: https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

³⁰ As per Half Moon Bay ordinance 6.i: https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

³¹ As per Half Moon Bay ordinance 6.j: https://www.codepublishing.com/CA/HalfMoonBay/#!/HalfMoonBay18/HalfMoonBay1806.html#18.06

²⁷ Modeled on Half Moon Bay ordinance 6.f, with language added to address common complaints made by current Pacifica residents at City Council meetings.

- 3. (3) The local responsible contact's phone number;
- 4. (3) The City's noise regulations; and
- 5. (4) Good Neighbor Agreement, which each STR guest is required to sign within two hours of arrival at property and email to STR operator to keep on file for presentation to City upon request.
- (x) *Duplexes and triplexes*. STRs may operate from duplexes and triplexes under limited conditions, as follows:
 - 1. At least one unit within the duplex or triplex is the primary residence of the property owner; and
 - 2. No more than one unit in a duplex or triplex may be registered and operated for STR use.³²
- (y) *Prohibited*: STRs may not operate from mobile homes, recreational vehicles, "tiny homes," multi-family developments with four or more units, any mixed-use or residential development containing one or more units restricted to be affordable to lower income households, or accessory dwelling units.³³

Section 9-4.4906- Permit Revocation and Enforcement.

- (a) Permit Suspension or Revocation. The Administrator may suspend or revoke a short-term rental permit after making a determination that the permittee has violated any of the provisions of this article or is operating the short-term rental in a manner that is detrimental to the public health, welfare or safety or constitutes a nuisance and/or has been shown to interfere with the quiet enjoyment of their home by any neighbor within 500 feet of the STR property. The Administrator shall provide the permittee with written notice stating the supporting factual basis for the decision. The notice shall contain an advisement of the right to request an appeal before a hearing officer by filing a written appeal.
- (b) Appeal to Hearing Officer. Suspension or revocation issued by the Administrator pursuant to paragraph (a) will be effective ten days from the date appearing on the notice, unless a timely appeal is filed before such date along with the deposit of an appeal fee established by resolution of City Council. A hearing shall be scheduled before the hearing officer within thirty (30) days. The decision of the hearing officer shall be a final administrative order, with no further administrative right of appeal or reconsideration. The hearing officer may sustain a denial, suspension or revocation, overrule a denial, suspension or revocation, reduce a revocation to a suspension and/or reduce the length of a suspension.

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³² From LCP-2-HMB-21-0078-2: https://documents.coastal.ca.gov/reports/2023/3/W14b/W14b-3-2023-exhibits.pdf

³³ Ibid.

Reapplication. No application for a short-term rental permit will be accepted within 24 months after a short-term rental permit is revoked.

(d) *Enforcement.* The City may enforce this article by any means permitted by law, including but not limited to those penalty provisions set forth in Chapter 2 of Title 1 of this Code. The City Council may establish fines for violating this article by resolution.

Section 3. Compliance with CEQA. The City Council hereby finds that the action to adopt this Ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA), under Section 15061(b)(3) of the CEQA Guidelines (14 Cal. Code Regs. 15000 et seq.) because it can be seen with certainty that there is no possibility that the adoption of this Ordinance may have a significant effect on the environment. The City Clerk shall file a Notice of Exemption with the San Mateo County Clerk.

Section 4. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it should have adopted the Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

Section 5. Publication. The City Clerk is hereby ordered and directed to certify to the passage of this Ordinance by the City Council of the City of Pacifica, California, and cause the same to be published once in The Pacifica Tribune, a newspaper of general circulation, published and circulated in the City of Pacifica, California.

Section 6. Effective Date. This Ordinance shall be in full force and effective thirty (30) days after its adoption and shall be published and posted as required by law. For areas within the Coastal Zone, this Ordinance shall not become effective until the California Coastal Commission certifies an amendment to the City's local coastal program pursuant to Section 30514 of the Public Resources Code.

Section 7. Amnesty Period. Notwithstanding any other provision of law, short-term rentals operating on or before the enactment of this ordinance shall be considered existing, unpermitted uses. An amnesty period of ninety (90) days after the effective date of this ordinance is being offered to allow these existing, unpermitted uses to be legalized by conforming to the requirements of this amended ordinance, including compliance with operating standards, registration, and recordkeeping obligations. Transient Occupancy Tax payments continue to be required at all times for STRs and must be collected and paid during the amnesty period. Applications to bring an existing, unpermitted STR use into compliance shall be made on or before ninety (90) days after the effective date of this ordinance. Existing STR uses that do not conform to the requirements of this section shall cease operation within ninety (90) days of the

PASSED AND ADOPTED this day of, by the following vote
AYES:
NOES:
ABSTAIN:
ABSENT:

effective date of this ordinance and shall be prohibited from resuming unless and until the use

conforms to the requirements of this ordinance.³⁴

³⁴ See 5.92.090 of Daly City short-term rental ordinance: https://www.dalycity.org/DocumentCenter/View/4261/Ordinance-1440-PDF