

OFFICE OF COUNCILMEMBER TODD GLORIA
COUNCIL DISTRICT THREE
M E M O R A N D U M

DATE: November 3, 2016

TO: Honorable City Councilmembers

FROM: Councilmember Todd Gloria



SUBJECT: Short Term Rentals

In response to the motion at Council on November 1, 2016 asking staff to develop a comprehensive ordinance to regulate short term rentals, it is my view that the following elements should be included in any forthcoming policy proposal.

- A distinction should be included in the Municipal Code between home sharing with the owner on site, whole house rentals, limited whole house rentals, and house swapping where an owner trades places with a homeowner in another location.
- Home sharing with the property owner present on site should be allowed subject to the following conditions:
 - 2 adult visitors allowed concurrently by right in all zones with no minimum stay requirement.
 - Ability to rent to more than 2 adults per night can be permitted via a Process 3 Conditional Use Permit.
 - Appropriate Transient Occupancy Taxes should be remitted to the City.
- Whole house rentals in Residential Neighborhoods should be subject to the following conditions:
 - Process 4 Conditional Use Permit.
 - An occupancy limit of 2 persons per legal bedroom.
 - Adherence to fire, health and safety regulations similar to those required of other visitor-serving establishments should be required.
 - An annual fee sufficient to fund all code enforcement activities related to short term rentals should be applied to all permits for whole house rentals.
 - Graduated fine levels should be implemented when there are successive code violations.
 - CUPs should contain language enabling it to be revoked for repeat violations.
 - Private citizens who are directly impacted by whole house rentals should be allowed to sue the owner of the nuisance property in Small Claims Court to force compliance and be entitled to recovery of attorney's fees from a successful suit.
 - Appropriate Transient Occupancy Taxes should be remitted to the City.

- Limited whole house rentals, where the house is the property owner's primary place of residence but the house is rented out short term for less than 30 days per year, should not be subject to permit requirements but should be subject to appropriate Transient Occupancy Taxes.
- House swapping, where a homeowner trades houses with a homeowner in another location for a finite time period, should not be restricted by the Municipal Code.
- An Enterprise Fund should be established through permit and penalty fees to fund Code Enforcement activities and ensure that staffing levels dedicated to these efforts are not reduced due to annual fluctuations in the City Budget.

These recommendations are meant to provide a framework to allow property owners to use their property without unnecessary government interference, except in cases where it infringes upon the rights of other owners to peacefully enjoy their property. Thank you for allowing me to add my comments to this discussion. If you have any questions or comments about these items, please let me know or contact Stephen Hill of my staff at 619-236-6137 or shill@sanidiego.gov.

cc: Honorable Mayor Kevin Faulconer
Honorable City Attorney Jan Goldsmith
Independent Budget Analyst Andrea Tevlin