

Culver CITY

Airbnb in Your
Neighborhood:

A Community Discussion



SEPTEMBER 20, 2018

****WELCOME. PLEASE SIGN IN AND TAKE A NUMBER.****

Meeting Format

Introductions

Ice Breaker

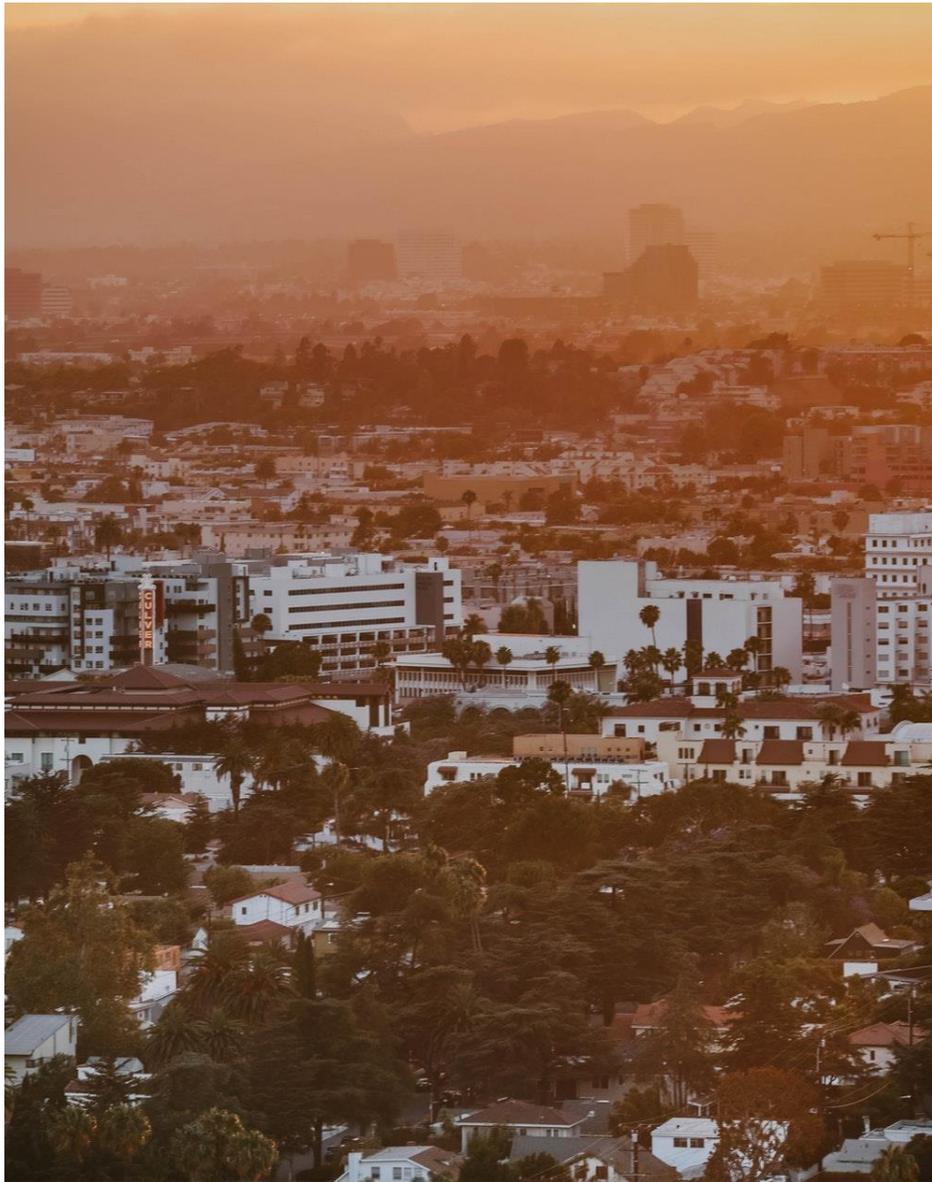
Background presentation

Roundtable Discussions

- Three question prompts
- Reporting out from tables and breaks between

Close





Welcome!

Background



Terminology: Short Term Rental

The renting out of a home or portion of a home for less than 30 days.

Can be either home-sharing or vacation rentals.



Terminology: Home Sharing vs Vacation Rental

Home-sharing:



Dwelling is the primary residence of the host

Unit is “shared” in whole or part (e.g. bedroom, guest house)

Can be “hosted” where the owner/resident remains on-site during the guest stay or “un-hosted” where the owner/resident remains off-site during the stay

Vacation Rental:



Owner does not reside on-site.

Used almost exclusively for guests as a way of generating income

Review: 3 Types of short-term rentals:

Home Sharing

1. Hosted Stay – A home-sharing activity whereby the host remains on-site throughout the guest's stay (except during daytime and/or work hours).
2. Un-Hosted Stay – A home-sharing activity whereby the host remains off-site during the guest's stay.
3. Vacation Rental – A dwelling unit that is not a primary residence and which is available for temporary lodging, for compensation.



Short Term Rentals: Positives

Affordable and flexible accommodation option for visitors

Extra income for hosts; efficient use of spare bedrooms, guest houses, etc.

Economic spin-off through increased tourism

Collection of transient occupancy tax or TOT

-Over \$700K annually



Short Term Rentals: Concerns

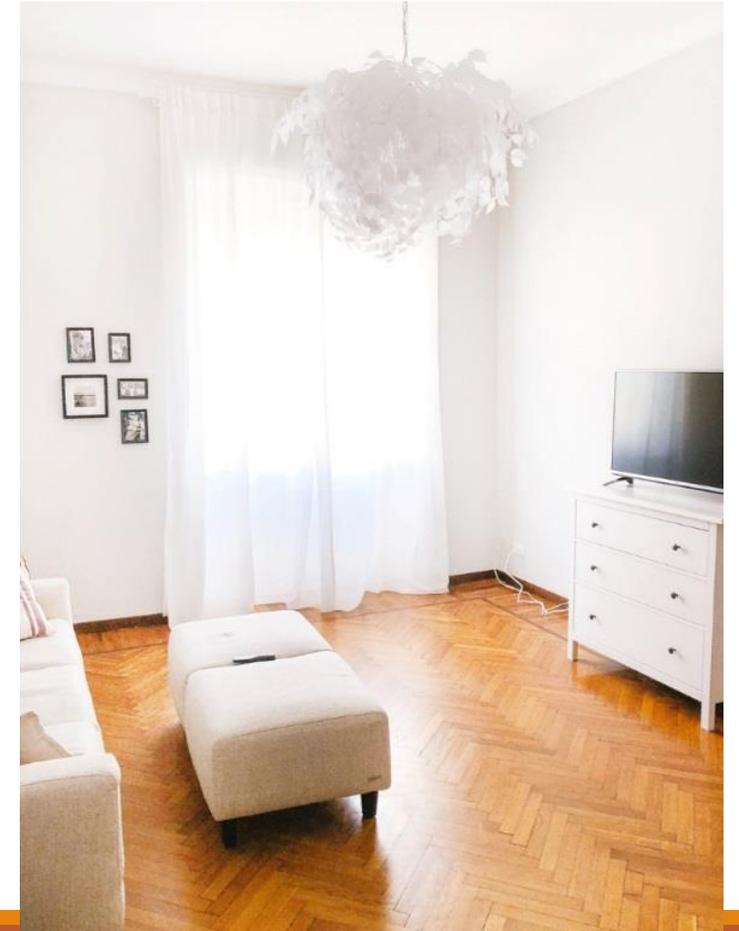
Effect on neighborhood character

Long-term neighbors replaced by short-term guests

Potential for nuisance activities e.g. noise, inadequate parking, excessive coming and going

Impact on housing stock

Rental units removed from long-term housing market



Options for Addressing STRs

1. Prohibit the practice completely
2. Embrace the practice without restrictions
3. Allow the practice under a set of regulations



Options for Addressing STRs

Cities are increasingly regulating short-term rentals

- Experiences in other cities
- Manhattan Beach, Berkeley, Pasadena, Sacramento

No one-size fits all approach.

- Tailored to nuances of the community



History of STRs in Culver City

STRs currently prohibited

City enforces nuisances

Summer 2017: Short Term Rentals Task Force

April 23, 2018: City Council asked for more community input before moving forward with regulations.



STRs in Culver City (August 2018) - Properties

264 Active Listings

- 155 Entire Homes
- 106 Private Rooms

Listing Types

- 31 Studios
- 60 1-BR
- 41 2-BR
- 14 3-BR
- 7 4-BR
- 2 5-BR+

231 Booked Properties



STRs in Culver City (August 2018) - Hosts

208 Active Hosts

- 170 single listing
- 28 multiple listings



STRs in Culver City (August 2018) - Rates

Average Daily Rate

- Entire Home: \$138/night
- Private Room: \$73/night

Median Monthly Revenue:

- Entire Home: \$3,140
- Private Room: \$1,534



STRs in Culver City (August 2018)

Occupancy (Booked Nights ÷ Nights Available)



90%

STRs in Culver City (August 2018)

Market Revenue: \$5,189,093

14% TOT

TOT Revenue: \$726,473

(August 2017 – August 2018)



Experiences in Similar Cities

Manhattan Beach

Berkeley

Pasadena

Sacramento



Manhattan Beach

June 2015: City Council Approves Prohibition

2015 to now: Total Ban

Difficulty with enforcement. STRs persist.

May 2017: City Council Expresses Desire to Revisit

March 2018: City Council asks staff to revisit policies



Manhattan Beach: Exploring

STRs allowed in owner-occupied residences (> six months/year)

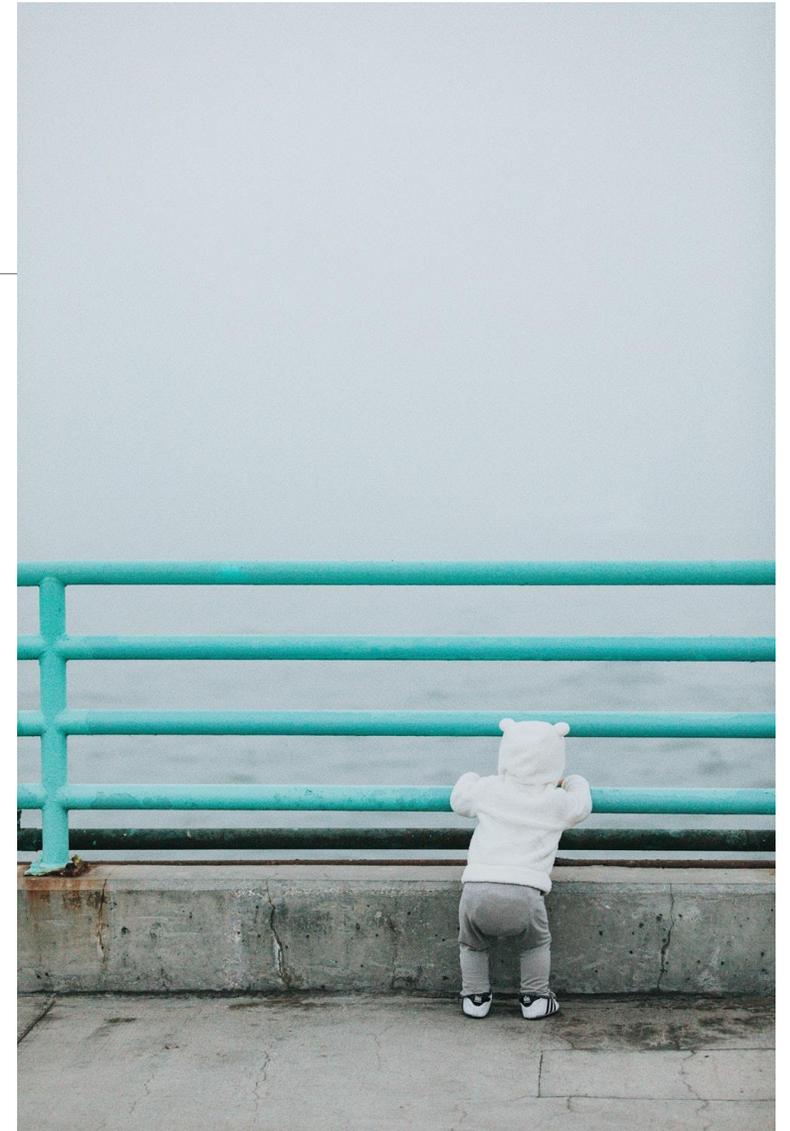
No multi-unit dwellings

Guest houses, ADUs not permitted.

Just one unit per property can be rented and to only one group of people at a time.

One on-site parking site must be provided.

Note: Pressure from California Coastal Commission to Permit STRs



Pasadena: Goals

Council approved in late 2017; into effect in February 2018

Strong opposition to Vacation Rentals (absentee landlords)

Desire to compromise between neighborhood livability and allowing residents to generate extra income.



Pasadena: Resulting Policy

Home sharing (primary residence) only

Vacation rentals (absentee landlords) prohibited

Hosted: unlimited number of days per year

Unhosted: up to 90 days a year (local 24-hour contact required)

Neighbor notification required

Renters can rent with landlord permission

No STRs in ADUs permitted after 1/1/17



Berkeley, CA

STRs allowed

Home Sharing (primary residence) only

Hosted: Unlimited

Unhosted: Up to 90 days a year

Vacation rentals: not permitted

(except with zoning certificate)

Renters: Host with owner approval



Berkeley, CA

Goal: maintain housing stock.

Strategy:

- No below market rent units (ie rent controlled)
- No units with a no-fault eviction within last five years
- No ADU's built after 4/1/17 or used as a long term rental since 4/1/17
 - Desire to preserve ADUs for long term renters
 - Opposition from existing STR hosts using ADUS → agreement to start this going forward



Sacramento: Policy

Rules approved in 2016

Home Sharing (primary residence): hosted or unhosted (unlimited days)

Vacation Rentals (non primary residence): up to 90 days a year.

Vacation Rentals can exceed 90 days a year with CUP

No more than 6 persons at a time per rental

Neighbor notification required.



Sacramento: Experience

Difficulty with enforcing 90 day rule for vacation rentals

- Concern about investor owned properties depleting housing stock

Properties continuing to list for >6 guests

Unhosted properties have problems, especially with large groups

Main complaints: Noise and parking (few complaints)



Sacramento: Changes

City Council made changes in August 2018 to address

City hiring company to help track unregistered STRs, remove listings for >6 people, and enforce 90 day rule

Tightened restrictions for non-resident vacation rental hosts: only one permit per lot (such as for a triplex)

Loosen restrictions for residents who are vacation rental hosts: multiple permits allowed



Break & Table Assignments



Grab a drink, snack, or use the bathroom.

Refer to the number you were handed when you entered.

When you return, please sit at the table corresponding to your assigned number.

Table Discussion: Topic 1

Take 5 Minutes to **Introduce Yourself.**

Assign a (1) **note taker** and a (2) **spokesperson** for the table.



Table Discussion: Topic 1

Are Airbnb guests already having an impact on our neighborhoods?

If so, what are the impacts: positive, and negative?

Do the positives outweigh the negatives?

How did the model cities try to deal with these issues in ways that might make sense in Culver City?

Suggested Topics: Nuisance complaints. Traffic and parking. Resident income. City tax revenue.

Exercise #1

Short Term Rental Host: **Orange**

Resident (Non-Host): **Pink**

Hotel: **Yellow**



Table Discussion: Topic 2

Take 5 Minutes to **Introduce Yourself.**

Assign a (1) **note taker** and a (2) **spokesperson** for the table.



Table Discussion: Topic 2

What responsibilities do hosts have to...

- ...their guests,
- ...their neighbors,
- ...the public,
- ...the City?

What host responsibilities did model cities identify that might make sense in Culver City?

Suggested Topics: Safety requirements. Collecting taxes. Neighbor notification. Providing contact information for neighborhood complaints.

Exercise #2

Short Term Rental Host: **Orange**

Resident (Non-Host): **Pink**

Hotel: **Yellow**



Table Discussion: Topic 3

Take 5 Minutes to **Introduce Yourself.**

Assign a (1) **note taker** and a (2) **spokesperson** for the table.



Table Discussion: Topic 3

How do Airbnb, Homeaway, and other short term rentals affect the supply of affordable housing?

Do or do they make housing more affordable by adding another source of income?

How can City policies reduce harm to the supply of affordable housing?

What policies did model cities use that might make sense in Culver City?

Suggested Topics: Absentee landlords, capping number of nights, ADUs, apartment buildings/rental multi-family.



Open Discussion

Culver CITY

Thank you for coming.

For more information, visit

www.culvercity.org/shorttermrentals

Thank you and Attribution

City of Pasadena Planning & Community Development Department

(<https://ww5.cityofpasadena.net/planning/wp-content/uploads/sites/56/2017/10/Short-Term-Rental-Regulation-Power-Point-Presentation-April-12-2017.pdf>)