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CITY OF CULVER CITY SHORT TERM RENTALS TASK FORCE

REGULAR MEETING OF THE
CITY OF CULVER CITY
SHORT TERM RENTALS TASK FORCE
CULVER CITY, CALIFORNIA

June 19, 2017
3:00 P.M.

Call To Order & Roll Call

The regular meeting of the City of Culver City Short Term Rentals Task Force was called to order at 3:00 P.M. in the Mike Balkman Council Chambers at City Hall.

Members Present: Jim B. Clarke, Council Member
Göran Eriksson, Council Member
Kevin Lachoff, Planning Commissioner
Steven Reitzfeld, Finance Advisory
Committee Member
Judy Scott, Landlord Tenant Mediation Board
Member

Staff Present: John M. Nachbar, City Manager
Heather Baker, Assistant City Attorney
Jeff Muir, Chief Financial Officer
Tevis Barnes, Housing Programs Administrator
Craig Johnson, Building Official
Fire Marshal Mike Nagy, Culver City Fire
Department
Lt. Manny Cid, Culver City Police Department
Marian Aspnes, Enforcement Services Manager,
Community Development Department
Michael Allen, Planning Manager, Community
Development Department

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Council Member Clarke discussed the formation of the Task Force, meeting procedures, and he introduced staff and Task Force Members.

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Public Comment for Items NOT On the Agenda

Council Member Clarke invited public comment.

No cards were received and no speakers came forward.

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Consent Calendar

No items.

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Continued Items

No items.

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Action Items

Item A-1

Introduction: Task Force Purpose and Goals

Jesse Mays, Assistant to the City Manager, provided background on the Task Force; discussed the mission of the Task Force; formulating policy recommendations; goals of the current meeting; decision points; actions of other cities; the goal to create consensus towards a draft ordinance; and he directed anyone uncomfortable with speaking out to post comments or get more information at www.culvercity.org/shorttermrentals.

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Overview of Short Term Rental Policies and Decision Points

Marian Aspnes, Enforcement Services Manager, encouraged meeting attendees to participate with comments and questions; provided an overview of current short term rental policies; discussed hotel/motel use; commercial zoning; business regulations; decision points; whether to prohibit short term rentals or allow and regulate them; necessary changes to the municipal code; zoning regulations; defining short term rentals; advertising; allowable locations; hostels and rooming houses; impacts to neighborhoods; noise and parking issues; after hours or onsite contact information to address issues; signage; whether to charge Transit Occupancy Tax (TOT); business tax certificates; permit fees; unregistered businesses; enforcement; impacts to code enforcement; long term renters; the difficulty in tracking down short term rentals; complaints received; impacts to the City Attorney's Office; non-compliance; nuisance activities; permit revocations; fire code issues; displacement of permanent long-term renters; garage conversions; people who rent out rooms in their homes or their whole homes; limiting the number of times a property can be rented per year; listings; free speech issues; city staff that rent units and stay there to provide proof of violations; examination of fine structures; using a percentage of rent collected; increases with continued violations; consistency in regulatory practices; determining who can rent: renters, owners, or property managers; defining ownership; platforms for advertising; tax collection; inspections as part of the permitting process; inspection fees; owner approval of subleasing; rent control and limits to the amount of money that an owner can make; monitoring; limits to the allowable rental period over 12 months; compliance; health code regulations; insurance requirements; rentals in subsidized housing; seasonal rentals; signage; City municipal regulations; and community outreach and education once a decision is made.

Council Member Clarke received clarification regarding house swapping and whether compensation is charged.

Tevis Barnes, Housing Administrator, spoke regarding subsidized housing; restrictions; clarification that short term rentals are not allowed for subsidized housing; annual

inspections; subsidized housing attached to the unit rather than the family; and federal, state and local guidelines.

Discussion ensued between staff, Task Force Members and meeting participants regarding displacement of long term renters for short term rentals; monthly mediation requests due to long term units being removed for short term usage; change of use of the land; state law; noticing requirements; concern that landlords would not disclose the reason for lease termination if units were being converted to short term rentals; whether short term rentals in Culver City are as much of an issue as has been indicated; whether Culver City is a destination vacation city; the number of platforms used to advertise short term rentals; complaints from residents; nuisance activities associated with short term rentals; addressing the issue; placing a restriction on the number of days a unit can be rented in order to deter displacement of long term renters; revoking permits; rights of appeal; administrative citations; the number of units in Culver City; clarification that addresses are not furnished until a booking is done; and properties listed in Culver City that are actually in Los Angeles.

Council Member Clarke invited public comment.

The following members of the audience addressed the Task Force:

Leonardo Wilborn, Culver City Liaison to the Apartment Association of Greater Los Angeles, provided background on himself; he shared correspondence from the Association seeking a partnership and discussing the role of managers; discussed requiring written permission by the owner; prohibition of circumnavigating lease agreements; enforcement; the rights of property owners to remove properties from the prospect of home sharing on the site; differences in communities; removal of addresses from consideration; penalties; the difficulty identifying short term rentals; and support for official registration.

Stephen Paull reported issues with a neighbor engaging in short-term rentals for over a year; indicated harassment against his family in retaliation for their complaints about the short term rentals; he noted that the neighborhood is zoned R-1; reported support from his neighbors in eliminating short term rentals; discussed the Aribnb site; noted that there were 300+ listings in Culver

City; and he indicated that he had given up contacting the City as it had not helped him to address his issues.

Marla Koosed expressed opposition to short term rentals in R-1 zones; reported purchasing a home within her means; indicated that she wanted to live with homeowners rather than renters; asserted that short term renters would increase the number of Lyft and Uber drivers in the area; she discussed noise levels; trash pickup and recycling; increased rental activities at Vets that bring additional activities and parking challenges; events in the park; she asserted that short term rentals in R-1 neighborhoods would be a long term problem and would not address affordable housing; she discussed additional revenue for the City after collecting fees; and she expressed concern with permanently changing the nature of R-1 neighborhoods in the City.

Penny Brill, real estate professional, felt that it would behoove the City to charge 5% to cover enforcement costs; reported that Airbnb carried insurance; asserted that there were 55 properties available on Airbnb in the City; discussed the rights of homeowners; limitations or restrictions on roommates; signage; growth of the neighborhoods; she asserted that short term rentals were lucrative; and discussed increased rents and housing costs.

Don White reported living in the City without issue for 26 years until a short term rental moved in next door; he asserted that no one would want to live next door to a short term rental; discussed issues with noise; trash; parties; parking; Lyft and Uber; rudeness and disrespect; and he strongly recommended that the City ban short term rentals in R-1 zones.

Cynthia Kennedy, Affordable Living for the Aging, discussed roommate sharing for seniors; potential impacts to her program; she reported that many seniors would not be able to make ends meet if they could not share their homes; a grant to expand the program in order to prevent senior homelessness; and the important difference between hosted and non-hosted Airbnbs.

Don White clarified that their neighbor lives in the house and engages in short term renting.

Steven Rose, Chamber of Commerce, reported that the Chamber had not taken a position on short term rentals; discussed the prohibition of home based business from having customers or employees coming to the house in the City code; compliance with parking requirements; fire and safety standards; required inspections for businesses; impacts to permit parking; attractions in the City bringing in guests; and the transient work force.

Robert St. Genis, Los Angeles Short Term Rental Alliance, discussed concerns with notification for the meeting; bad guests and bad neighbors; best practices; data regarding short term rentals; comparisons with area hotels; support for a three-strikes policy; graduated fines; suspension; Noise Aware; Party Crasher; workshops on how to be a good guest; vetting; TOT; additional fees to be placed in an affordable housing trust fund; and allowing outside inspectors to take a load off City staff.

Discussion ensued between staff, Task Force Members and the speaker regarding the TOT percentage for Los Angeles; meeting notification; and data previously provided to the City.

Michael Millman expressed concern with misinformation; asserted that housing providers are good neighbors; discussed the actions of other cities; ensuring that tenants are held accountable for infractions; evidentiary presumptions; liquidated damages; small claims court; problem tenants; compassionate landlords; and he expressed opposition to rent control.

Ellen Sanchez indicated that she provides short term rental housing in her home as it is the only way she can make ends meet; she provided background on herself; discussed establishing ground rules; screening; she asked that regulations be enacted to protect neighbors but allow for exchange; and she clarified that she went to short term rentals to fill in while she found a long term renter.

Rich Kissel, Beverly Hills Greater Los Angeles Association of Realtors, indicated general support for short term rentals and discussed the right of the owners to remove multi-family dwellings from the short term market if they choose to do so, superseding tenants from renting without permission from the owners.

Carol Ziff acknowledged issues in her neighborhood with short term rentals; noted that no one is completely objective; and she felt it was not appropriate for the people putting together regulations to have conflicts of interest.

Tonie Paull reported that her neighbor is a renter and immediately started short term rentals of her home as she cannot afford it on her own; she felt that it was imperative that Task Force Members be fair and open without preconceived notions about the issue; she received clarification that Member Scott allows short terms rentals on her property; asserted that short term rentals were currently illegal in the City and that many people are unaware of that fact; she reported numerous issues related to two rooms being rented out of her neighbor's home; discussed retaliation by the neighbor; changes to the neighborhood and the lack of recourse; the numerous times she has had to call the police; she reported that the owner would not return phone calls; and she sked the City to figure out how to address the issues.

Discussion ensued between staff and Task Force Members regarding efforts of the City to address the issues described by the Paulls; enforcement; compliance; and clarification that the multi-unit property Ms. Scott owns is not in an R-1 zone.

Kathy McConkey discussed her garage conversion; her willingness to comply with any rules; her preference for short term rentals; she reported positive experiences; and discussed the number of rentals she does per year.

Discussion ensued between the speaker and Task Force Members regarding types of renters that she has had; benefits of a Culver City location; advertising; and standard rates.

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Item A-3

Ordinance Examples from Other Cities

Michael Allen, Planning Manager, discussed un-hosted vs. hosted rentals; vacation rentals or home sharing; components of ordinances; examples of ordinances from other cities; occupancy limitations; landlord notification;

notification of surrounding residents; inspections; insurance; and TOT.

Discussion ensued between staff and Task Force Members regarding cities that have no ordinance; those cities with outright bans; cities chosen for the survey; destination cities; the 30-day threshold; and the new initiative to address the new use.

Stephen Paull reported that surrounding neighbors are impacted by increased traffic generated by short term rentals; discussed the number of times he has had to contact the police; the number of complaints made to the City vs. the number of emails sent to the City; the actions of Hermosa Beach; response to complaints; monitoring consultants; fines; litigation; zoning issues; the purpose of zoning; permits for hardship; and spot zoning.

Kevin Ja-David Cade expressed opposition to short term rentals and he wished everyone a Happy Father's Day.

Additional discussion ensued between staff and Task Force Members regarding Section 8 Housing and affordable housing; the need for affordable housing in the City; home sharing for seniors; home sharing for long term rentals vs. short term rentals; increasing housing opportunities; City regulations regarding a hostel type use; defining different categories; commercialized development; clarification regarding conflicts of interest; the recommendation to the City Council; the right to have an opinion and participate in the process; police department inspection of registries; calls for service; sprinkler requirements; adding on to properties; taxation; reporting; staff time; enforcement; handling violations; frequency of inspections; distinguishing between the definition of hotel in zoning regulations vs. in business regulations; and legally collectable TOT.

Further discussion ensued between staff and Task Force Members regarding establishing a permanent process with resources provided to staff to enact stiff penalties for non-compliance; creation of regulations; the number of rentals in Culver City; the need for the City to take action of some sort; ensuring that any ban would be explicit in the code; the difficulty in enforcing current regulations; clarification regarding short term rentals in residential zones; advertising as a presumption of

violation; whether to allow Airbnb in R-1 zones; home sharing; impacts of the shared economy; allowing seniors to stay in their homes; property management companies; renting out multiple rooms; limits to the number of days per year, the number of short term rentals in a neighborhood, and where they can be located; addressing neighborhood compatibility; parking; TOT; support for requiring business licenses; tax certificates and permit fees; concern with regulation and enforcement of a maximum number of allowable days to rent; minimum number of nights per stay; support for hosted rentals by owner; obtaining agreement from the owner before a renter may sub-rent; ensuring that owners do not set up multiple units as an investment; responsibility of the owner and the tenant for issues occurring on the property; whether an owner has to be the host in each unit or can rent out any unit in the building that they own; concern with turning an apartment building into short term housing; concerns with the loss of affordable housing stock and tenants that have a tie to the community; clarification that the Housing Department has received complaints from multi-family units converted to short term rentals, not single family homes; imposing a reasonable limit to the number days to be rented per year; the actions of San Francisco; different types of ownership; property management companies; ensuring a responsible party is available to respond to complaints within 30 minutes; allowing property management for long term properties but not for short term rentals; the transient nature of the rental; concern with eroding neighborhood values; a feeling that short term rentals are a privilege, not a right; ownership rights end where the neighbors begin; on site owner representatives; current fine amounts in the administrative code and how the fine system works; permit revocation; the need to prove the violation each time; creating a buffer zone; only allowing a certain amount of short term rentals per neighborhood; lottery issuance of permits; notification of surrounding neighbors; allowing an opportunity to object; the right of appeal; how to address noncompliance; concern that noticing creates a feeling that the neighbors have a say in the process; neighborhood notification for information purposes; vetting; the procedures for permit application; site inspections; and looking at model ordinances.

Tonie Paull clarified that her neighbor has been fined \$100 so far.

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Item A-4

Discussion of Task Force Schedule and Goals for Next Meeting

Michael Allen, Planning Manager, Community Development Department, agreed to get more information on youth hostels.

Philomena DeSantos discussed insurance considerations and policies in Palm Desert.

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Public Comment for Items NOT On the Agenda

Council Member Clarke invited public comment.

No cards were received and no speakers came forward.

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Receipt of Correspondence

None.

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Items from Short Term Rentals Task Force Members/Staff

Council Member Clarke discussed next meeting dates and notification.

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Adjournment

There being no further business, at 5:53 P.M., the Short Term Rentals Task Force adjourned its meeting to a regular meeting on Thursday, July 20, 2017 at 7:00 P.M.

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Jesse Mays
SECRETARY of the Short Term Rentals Task Committee
Culver City, California

APPROVED

Jim B. Clarke
CHAIR of the Short Term Rentals Task Force, Culver City,
California

I declare under penalty of perjury under the laws of the State of California that, on the date below written, these minutes were filed in the Office of the City Clerk, Culver City, California and constitute the Official Minutes of said meeting.

Jeremy Green
CITY CLERK

Date