

AD HOC STAKEHOLDERS COMMITTEE ON SHORT-TERM VACATION RENTALS
LA JOLLA COMMUNITY PLANNING ASSOCIATION
WEDNESDAY, MARCH 26, 2014
LA JOLLA RECREATION CENTER, 615 PROSPECT ST. 5PM

DRAFT MINUTES-Regular Meeting

Members Present: Helen Boyden, Chair, Jim Fitzgerald, Bob Steck, Mike Costello, Heather Weiermann

1. **Welcome and call to Order:** Helen Boyden called the meeting to order at 5:00 PM. She noted that the composition of the committee had changed, and that the LJCPA had clarified that the Committee objective is to investigate what other communities have done to address the short-term vacation rental issue and to make a recommendation to the CPA.
2. **Adopt the agenda** (Fitzgerald/Steck: 5-0)
3. **Meeting Minutes** as corrected (Fitzgerald/Weiermann: 5-0)
4. **Public Comment**

Ozstar De Jourday announced that he is very much in favor of short-term rentals. Ms. Boyden replied that this matter is on the agenda, and that he should wait until the appropriate time to make this comment.

5. **Chair Report**

Ms. Boyden informed the attendees that the committee has had three prior meetings at which many complaints were heard regarding short-term rentals and the CAPP program was explained. There are approximately 450 short-term rentals in La Jolla with no current restrictions on them. The LJCPA President recently sent a letter asking for clarification on this issue to the City, but he has not yet received a formal response. However, Mr. Chris Larson, a senior planner, in an email dated 3/25 confirmed that lack of regulation and wrote "we treat the use of a home the same no matter how long an individual home is occupied."

6. **Presentation by the San Diego Vacation Rental Managers Alliance**

Jonah Mechanic, Paul Becker, and Michelle Aarons made a presentation titled "The Future of Short Term Rentals." They claim that there are only about four "party houses" in La Jolla and made the following recommendations: a new permitting process which will raise an estimated \$200,000, a 3-night minimum stay, education for occupants, posting the property with applicable regulations and increased accountability and enforcement. They claim that the 26-night minimum stay imposed in Coronado has not been effective.

Mike Costello asked what would prevent someone from renting for three days, then simply leaving after one. Michelle Aarons replied that the credit card information will have already been provided, and the person would be charged for 3 days.

Mike then asked what the cost of a current business license is, and someone responded that a I license in San Diego costs \$55.

Jim Fitzgerald asked about the situation where the homeowner was not a client of the association. Michelle responded that the TOT number of the owner should be prominently displayed on all advertisements, so that it will be very easy to identify the owner.

Larry Hogan asked the group how they arrived at the number of four party houses. Mr. Mechanic responded that this is based upon the information provided at our previous meetings.

Karen Heyman said that the group is assuming that tourism revenue would be lost if vacation rentals were eliminated, but that the tourists could simply stay in a local hotel. Mr. Mechanic replied that the clientele for these two markets is actually quite different, and that the tourists who prefer to stay in a home would most likely go to another area.

Mar Hutchin asked what the minimum age is for renters, and the response was 25.

Brent Westfall mentioned that one of the issues is that our previous mayor did not allocate enough money to tourism.

Jon Mangerich commented that this presentation describing the situation was “too good to be true” and that the problem was significantly greater than only four party homes. He said that the current situation is “insidious and harmful” and involves a much larger number of homes than four.

7. Presentation by Jon Mangerich, Acting Chair, 30 Day Club

Mr. Mangerich explained that what we need is a truly permanent solution to this issue which is not proposed fees, light regulations, permits, or licenses, but rather a minimum 30-day stay. Based upon his group’s research, the community of Coronado resolved its short-term rental issue with the imposition of a 26-day minimum stay, and it has worked very effectively.

Ms. Boyden brought up the issue that Encinitas attempted to impose a similar 30-day minimum stay, but was not allowed to do so by the Coastal Commission

Jim Fitzgerald asked why a longer minimum stay would help resolve the issue, and the response was that it decreases the “intensity of the use”.

Lorraine Neff stated that she has had more problems with nearby fulltime residents than with nearby short-term vacation rentals.

Brent Westfall replied that we “sell this as a resort town” and that homeowners should have the freedom to do whatever they want with their homes.

Leif Leloup added that he has spoken with an assistant Coronado city planner regarding the situation there and that they aggressively pursue those residents who do not comply with the minimum stay requirement.

Eli Shaprut said that residents are not allowed to operate a business from their residences. Ms. Boyden replied that there are regulations under which certain types of business can operate, but that is not the issue that the committee is addressing.

Mike Costello informed the group that San Diego Municipal Code 131.0422 regulated visitor accommodations. Some time in the past the SDMC had different definitions for Visitor Accommodations and Board and Lodger accommodations with respect to residential zones. He added that the cost to the residents is much greater than the benefit to the industry, and that the situation must be changed.

Dolores Donovan suggested that a solution would be that funding for the CAPP program be increased.

Ms. Boyden summarized the meeting by saying that we clearly have three separate points of view: the San Diego Vacation Rental Managers Alliance who would like a 3-day minimum stay, the 30 Day Club which is proposing a 30-day minimum stay, and Mike Costello who is proposing a change in the SD Municipal Code interpretation of Visitor Accommodations and Boarders and Lodgers.

Ms. Boyden concluded the meeting by saying that the letters received by the committee would be compiled, provided to committee members and that, if possible, meeting minutes would be posted on the CPA website, The next meeting will take place from 5:00 PM to 6:30 PM on April 23. Possible solutions will be evaluated at that time and attendees are encouraged to submit additional solutions in advance of that meeting.

