AD HOC COMMITTEE ON VACATION RENTALS LA JOLLA COMMUNITY PLANNING ASSOCIATION June 25, 2014, 5:00 PM

DRAFT MINUTES-Regular Meeting

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

- 1. Call to Order--Chair Boyden called the meeting to order at 5:00 PM.
- 2. Adopt Agenda (Fitzgerald/Weiermann): 5-0-0
- 3. Approve May 28, 2014 minutes (Steck/Fitzgerald 5-0-0)
- 4. Public Comment on issues not related to short term vacation rentals

Jonah Mechanic voiced his concern over comments made in the previous meeting by Mike Costello regarding his ability to discredit any data provided by Mr. Mechanic. Mr. Costello disagreed with this, but Ms. Boyden informed the attendees that we needed to focus on the agenda items and move forward.

5. Chair Report

Chair Boyden informed the attendees that the committee's objective today is to make recommendations that will be forwarded to the LICPA. We've heard the arguments on both sides of this issue several times; the time has come to move the issue forward so that it can be heard by the LICPA.

6. Report by the 30-day Club

Jon Mangerich had been asked for additional information detailing the identified problem properties in emails dated April 8, May 19 and June 19 and had never responded. He explained that he had had e-mail problems and apologized for not responding to the committee's request on a timely basis. He read a letter from the 30-day Club in which he said that the committee failed to properly consider the information provided by the club. (See attached)

Proposed solutions to improve the CAPP program CAPP representative Fred Zuckerman contributed some advice regarding the list in the motion.

The following motion was passed:

The Committee recommends that the City make best efforts within available resources to substantially improve realtime police response times to citizen complaints regarding offending properties and to focus more rigorous Code Enforcement efforts on the offending property owners.

(Fitzgerald, Weierman 4-1-0). [For: Boyden, Fitzgerald, Steck, Weierman; Against: Costello]

The following motion was passed

- To strengthen the Community-Assisted Party Program (CAPP), the Ad Hoc Committee recommends:
 Substantially increase the fines (amount TBD) for CAPP violations. Dedicate the revenue from fines collected to CAPP enforcement and public outreach
- Once a house has been designated as CAPP-, require the property owner to place a substantial, non interest-bearing security deposit (amount TBD) in escrow with the City that would be forfeited if there is a subsequent CAPP violation. This security deposit would be returned to the property owner after a period (e.g. 1-2 years) with no CAPP violation.
- To expedite the CAPP process for problem properties, allow verifiable neighbor/resident documentation (e.g. video evidence and audio recordings/decibel measurements) to be sufficient to initiate/warrant a CAPP violation.
- The City develop/implement a proactive community education/outreach program regarding CAPP, utilizing all
 available resources, including conventional/social media, the City website, police community relations
 officers, and community organizations/groups, etc.
- Additionally, 2 violations within 90 days would put a property into a CAPP classification.

8.0 Modifications to the San Diego Municipal Code

The following motion was passed:

To more effectively deal with the identified problems associated with short-term rentals in single-family residential zones and to protect the residential character of these area, the Ad Hoc Committee recommends that the City of San Diego: adopt the following changes to the Municipal Code and City policies/regulations:

Establish a comprehensive permit process for short-term rentals, (similar to that outlined to the Committee by the San Diego Vacation Rental Managers Alliance) including establishing a formal a code-of-conduct for renters, property owners and managers and requiring permit numbers to be displayed on all listings for the property in question.

(Fitzgerald/Steck: 4-1-0) For: Boyden, Fitzgerald, Steck, Weierman; against: Costello]

Another motion was passed to supplement the description of the permit process (see previous motion) as follows:

- To establish city and community identification of all rental properties in each area/neighborhood, whether
 the property is being managed by owner or by a professional manager;
- Formalize a code-of-conduct for owners, property managers, and tenants
- Facilitate collection of all applicable TOT taxes by the City;
- Allow for the use of fines/permit revocation to discourage/punish violations and to reinforce the code-ofconduct. All or part of the revenue from the permits/fines could be dedicated to fund the creation/administration of the permit process, funding Neighborhood Code Enforcement, and funding related community outreach programs;
- Provide for a 24/7 contact person for each rental property to address problems in real time.

(Weierman/Fitzgerald 4-1-0) [For: Boyden, Fitzgerald, Steck, Weierman; Against: Costello]

Mike Costello made a motion to require short-term vacation rental properties to require garbage collection by a commercial company. This motion failed to receive a second.

Mike Costello made a motion to establish a new zone category that permits short-term rentals. Otherwise no short-term rentals would be allowed in current zones. This motion failed to receive a second.

Additionally, there were two failed motions with respect to the allowed length and frequency of rentals.

Failed Motion: That vacation rentals be limited to 30 days or more and that there be no more than 12 rentals in any 12 month period.

(Costello, Fitzgerald) (1-4-0) [For: Costello; against: Boyden, Fitzgerald Steck, Weierman]

Failed motion: To require a 7 day minimum stay for short-term rentals and that no more than 12 rentals occur in a 12 month period.

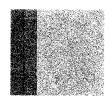
(Fitzgerald/Steck 2-2-1)) [For: Fitzgerald, Steck; Against: Costello, Weierman; Abstain: Boyden]

No additional motions were proposed.

9.0 Chair Boyden concluded the meeting by informing attendees that the work of the Ad Hoc Committee had been completed and that the recommendations would be forwarded to the LICPA for consideration. The soonest this issue will be included on the LICPA agenda is August 7, but it may not appear until the September 4 LICPA meeting. She reminded attendees that the LICPA agenda is usually e-blasted the Friday before, though it can be changed as late as 72 hours prior. It will be e-blasted to the regular LICPA list as well as to the list developed for the Short Term Vacation Rental subject.

10. The meeting was adjourned at 6:45 PM.

30 Day Club www.30dayclub.org 30dayclub@gmail.com 877-465-5607



Summary Statement to Stakeholders Ad Hoc Committee on Vacation Rentals

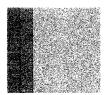
It is with deep disappointment that I stand before you trying to explain the futility felt by our group of homeowners impacted by the Short Term Rental activity in our neighborhoods. This committee has in fact gone full circle and come back to the same place as its predecessor. Identical to the original committee, this one has pressed forward with a singular objective to accommodate an industry that has descended upon and is changing the character of our neighborhoods. A raging national debate is taking place as communities everywhere realize that the conversion of our neighborhoods by a self interested industry lays waste to a delicate infrastructure of neighbors and friends. We came to this committee seeking relief, hoping for a fair and honest hearing, thoughtful research and balance, bringing personal stories and spending time researching. Instead we have been met with systematic dismissal of our viewpoint and see before us a pre-ordained outcome.

The recommendations being considered by this committee read like an operational plan from the Short Term Rental Industry, as advised and coached by the large national players. The local industry fosters an image that there are only a few "problem" STVRs and the fix is policing identical to a SDSU Frat house (CAPP program). Proof that this is the wrong tool for the job is the list of idealistic, unenforceable regulations proposed. Our specific objections, point by point to the various suggestions made in the agenda are just too numerous for this letter, and of course, "Public Comment Closed" advises all of the committee's intent at this point. The emphasis on the Capp program is a reactive solution to a problem that requires a preventative solution, one that unfortunately only gets an "oh by the way" mention at the end: Restricting rentals to a 30 day minimum.

Twice we have made offers for this committee to come and see firsthand the STVR's in our neighborhoods, to actually get a perspective and realize that the constant activity, chatter, pool play, and late night hot tubbing all compromise neighborhoods. Our offers have not even been acknowledged. A suggestion by Mike Costello that "intensity of use" be a parameter to be considered in this debate was pushed aside. Also ignored was a 5 page document submitted by Mike which outlined how other cities have dealt with this problem, a topic that was exactly the stated goal and directive of this committee when formed the second time. Instead this committee has relied upon industry produced marketing material, prepared by Madison Avenue trained "experts" focused on "educating" communities. We have done research, contacted neighbors, looked at the news reported nation-wide and realize we are not alone, yet a serious look by this committee at the affected-resident side of the issue seems to have been brushed aside.

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Our resident group has repeatedly stated to this committee the opinion that STVR's are an illegal business use of a residential property, and that they represent a loophole or misinterpretation of a poorly worded municipal code that is being exploited. Let these final, following words be a plea to common sense and a rational analysis of the problem: How can a municipal code (section 141.0308) that restricts home based businesses to a single employee onsite, or a single customer at a time by appointment only, allow 6 -10 -15 or more people <u>as customers</u>, to occupy the residence, changing weekly or at even shorter intervals? Does our municipal code really intend for this many people gathered together in overnight accommodations to not have to follow the myriad of health and safety regulations that hotels and motels do? It just defies logic and understanding that this use of a home can be allowed, and it was our hope that this committee look critically at the code and the matter overall with logic and reason, but have found that logic and reason have no place in this debate.

Realizing that our research and desire for fair and balanced evaluation won't be forthcoming with this committee, we will continue to research, document and prepare our presentation for another, more impartial venue.

Jon Mangerich
Chairman
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