

CAPISTRANO BAY DISTRICT  
AGENDA REPORT  
June 27th, 2017

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*Quality of Life – Short Term Rentals*

## **ITEM 11a**

### Short Term Rentals Update

In reflecting on the Board's directive from the previous meeting to hold off on reporting unpermitted STR's to the City, there are potential consequences and possible implications for the District that should be considered.

#### Possible liability issue

All permitted short term rental homes are inspected by City Code Enforcement officials for active functioning smoke and carbon monoxide detectors, and other safety features such as stairs and safety railings, fireplaces, gas meter shut offs, etc. If an incident were to occur in a non-permitted short term rental home on the road that resulted in injury to the renter occupants, the District could potentially be liable for not reporting a known unpermitted rental and allowing the guests access into the community. As such, it may be in the District's best interest to verify that a known unpermitted STR has been carefully documented and report these to the City, thereby redirecting any liability back to the City and its code enforcement program.

#### Recent Example

Earlier in the month, a Beach Road homeowner had informed Ted Harris of non-permitted STRs on the road.

On Thursday, June 15<sup>th</sup> at 4:00 PM, we learned of a planned party at 35731. A renter group intended to have a large birthday party that coming Saturday night and gave us a list of about 30 guests they had invited plus the 7 who were staying at the house.

District Manager Russell left a message on Thursday the 15th for Ted Harris, City of Dana Point, Code Enforcement Officer, to alert him to the large party that was going to happen at an STR at 35731 on Saturday the 17th. Ted then left a voice mail at the District office with a message that said, I do not have this home listed as an STR, I will have to stop by the home and try and reach one of the guests to investigate if they are truly renting this home short-term.

Over the weekend, Securitas had to direct all guests for this party to park in the overflow area to eliminate parking issues with neighbors near the party. Our patrol officer was forced to babysit the overflow parking and was therefore pulled away from his regular patrol duties.

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We emailed Ted Harris on Monday the 19<sup>th</sup> for a follow up on what he discovered. He replied via email that 'since he did not have this home listed as an STR, it was not his responsibility to enforce anything'. His reply was to 'call the Sherriff if it gets out of control. If you have a non-permitted STR on the road, then you will need to let me know'.

#### Enforcement

From this situation, we've learned that the City is not enforcing un-permitted STRs, leaving the District with the burden of dealing with monitoring the rentals and enforcing violations.

The idea here is to get our rentals licensed so they can be properly regulated by the City, which in turn relieves the District of much of the burden that we currently deal with. While it may not seem fair and feels like we're doing the City's job, it is recommended that the District take a more proactive role monitoring STR's on Beach Road.