

STR PILOT PROGRAM

ITEM NO. 11a

City Council Meeting from May 18, 2021

RECOMMENDED ACTION:

That the City Council introduce and hold a first reading of an Ordinance entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, AMENDING CHAPTER 5.38 OF THE DANA POINT MUNICIPAL CODE AMENDING REGULATIONS AND PENALTIES AFFECTING SHORT-TERM RENTALS

BACKGROUND:

On May 4, 2021, the City Council received public comments and considered the Planning Commission's recommendation to amend Section 5.38 of the Municipal Code to implement new and enhanced regulations for short-term rentals.

At the meeting, the City Council discussed the proposed new and enhanced regulations and provided direction to Staff on revisions to be incorporated into the amendment.

DISCUSSION:

The City Council's requested modifications for the recommended new and enhanced regulations for Section 5.38 in the proposed amendment include the following:

1. Clarify purpose of notification. Section 5.38.080(a)(3) requires an informational notice to the adjacent owners and tenants. Per discussion at the Council meeting, the regulation was modified to clarify the notice is only provided for the purpose of notification.
2. Remove prohibition of special events. Section 5.38.080(a)(8) identifies the activities prohibited to occur within an STR. The regulation was requested to be removed because it was nebulous, and the intent of the regulation would be achieved under the other provisions. For clarification, Staff has proposed to amend the "Purpose" Section of the Municipal Code to indicate nuisance concerns that could occur from events.
3. Increase response time, 20 minutes may not be feasible. Section 5.38.080(a)(19) identifies the response time required for the owner, property manager, or emergency contact to abate an issue. Per City Council direction, the regulation was modified to require the abatement of an issue within 40 minutes. Additional clarification was included in the provision to identify that the timeline for abatement begins when the contact is notified of a complaint.
4. Daytime noise limit should be more reasonable. Section 5.38.080(a)(20), as recommended to the City Council, would not allow amplified noise to be heard from the STR property line. With the removal of the proposed regulation, daytime noise levels will be regulated in accordance with the City's Noise Ordinance.

Alternatively, if the City Council seeks to strengthen daytime noise regulations, a new regulation could be included stating, "Offensive noise of any sort shall not be heard at any neighboring property at the exterior noise standard level of 55 dB (as defined in Section 11.10.010) for a cumulative period of more than one minute in any hour."

BOTTOM LINE:

Two amendments were made to the above recommendations:

- ✓ Regarding the owner, property manager or emergency contact's response time to a disturbance was adjusted from 20 minutes to 30 minutes.
- ✓ Regarding maximum day-time occupancy, the adjustment states the day-time occupancy is 2 ½ times the permitted over-night occupancy limit, not to exceed 20 guests.

Motion was made to accept recommended action along with the two amendments just listed above.

Vote 4-1 (Mike Villar was the one opposing vote)

Mayor Frederico commented that this is not a perfect solution, and it can be adjusted as needed.

He still wants to continue the process of locating and shutting down illegal STR's and at the same time regulating the current permitted STR's. Remember, it is now 3 strikes, and you are out forever.

Under the STR Pilot Program, the zoning aspect and corporate ownership of STR's are still being worked on and will be addressed in the next phase.