



# CITY COUNCIL

HOME SHARING WORKSHOP  
NOVEMBER 1, 2016

# Background

## Short-Term Rentals

- ▣ May 2014 – Adoption of Anaheim’s first short-term rental (STR) ordinance
- ▣ Permitted and regulated STRs
- ▣ “Non-owner occupied” STRs make up majority
- ▣ Residents/neighbors began to voice concerns - negative impacts
- ▣ September 2015 – STR Moratorium adopted
- ▣ Commenced extensive outreach efforts to engage stakeholders

# City Council STR Workshop

## February 23, 2016

- ▣ Staff proposed three-part action plan
  1. Ban new STRs and adopt new regulations
  2. Explore a new type of permit to allow “Home Sharing” in residential zones
  3. Explore potential of allowing new STRs in Mixed Use & Commercial Zones

**Council Direction: Proceed with action plan but also prepare an ordinance that would phase-out or “amortize” existing STRs**

# Part One of Action Plan: City Council Adopts Ordinances

- ▣ Two ordinances introduced on June 29, 2016 and adopted on July 12, 2016:
  - “Ban and Regulate Ordinance”
  - “Amortization Ordinance”

**Unless you have an existing STR permit, the Ban and Regulate Ordinance prohibits home sharing for periods of less than 30 days**

# Part Two of Action Plan: Home Sharing

Explore establishment of “home sharing” STRs in residential zones

- Different than “non-owner occupied” STRs
- Owner is “sharing” his/her home
- Home owner must reside in home
- Owner is present while hosting guests
- Home sharing is an accessory use
- Single family residence remains primary use



**If home sharing works as intended,  
much less likelihood of impacts to neighbors**



# Best Practices from Other Cities



- ▣ Reviewed other cities' ordinances
- ▣ Assessed potential approaches
- ▣ Looked for commonalities
- ▣ Spoke with their staff

**Home sharing is the preferred model; while there is some variation on the overall approach, some cities are establishing reasonable operational criteria for home sharing**

# Outreach/Public Comment

- Developed a home sharing program description (FAQ) to facilitate public comment
- Explained how Home Sharing would work
- Emailed/Noticed to public
- Spoke with operators currently “home sharing”



Residents who commented are concerned that home sharing will be abused and morph into something similar to non-owner occupied STRs and create negative impacts

# Parameters for a Proposed Home Sharing Ordinance

Four main components:

- ▣ How would home sharing be defined?
- ▣ What operational criteria are needed?
- ▣ How would it be allowed (e.g., by permit or other means)?
- ▣ How would it be enforced?

**Goal: Regulate only as required to ensure home sharing is conducted as intended (as an accessory use) without creating negative impacts to neighbors**



# Definition of Home Sharing

- ▣ “Home Sharer” must be a verified legal owner of the property
- ▣ Must identify all permanent residents of property
- ▣ May not “home share” at more than one address
- ▣ Potentially prohibit title from being held in entities that would complicate monitoring compliance (e.g., LLCs, Limited Partnerships, etc.)

**Set “a high bar” for what it means to be an “owner occupied” or “hosted” STR to minimize potential for abuse and negative impacts**

# Operational Criteria

- ❑ Owner must be present while home sharing is occurring
- ❑ Limit on the number of bedrooms that may be “shared” – lesser of 50% of the number of bedrooms in the home or two
- ❑ Limit of two persons per bedroom (fire life safety concerns)
- ❑ May not home share or host guests for more than 150 days per calendar year

**Need reasonable and focused operational criteria to ensure home sharing remains an occasional and accessory use, allowing the primary use to remain permanent residency**

# Operational Criteria (cont'd)

- ❑ Occupancy limit would be the same as recently adopted “Regulate and Ban Ordinance”
- ❑ Number of guests may never exceed four
- ❑ Both the guests and permanent residents count toward the limit

<b>EXAMPLE FOR A FOUR BEDROOM HOUSE</b>			
<b>Number of Bedrooms</b>	<b>Maximum Home Share Guests</b>	<b>Maximum Permanent Residents</b>	<b>Total Maximum Occupants</b>
<b>4</b>	<b>4</b>	<b>7</b>	<b>11</b>

**Number of guests may have to be reduced depending on the number of permanent residents – total occupancy may not be exceeded**

# Operational Criteria (cont'd)

- ▣ “Quiet Time” provisions apply while home sharing is occurring
- ▣ Fire suppression sprinklers would not be required (self-certify basic safety provisions)
- ▣ Reasonable parking restrictions to avoid impacts to neighbors
- ▣ Existing “Second Units” may be used for home sharing
- ▣ There would be a specific exemption/exception for Home Exchanges

# Options for Allowing/Permitting

## ▣ Initial Approach:

- ▣ Issue administrative permits (similar to current process)
- ▣ Establish Home Sharing Program on a pilot program basis
- ▣ Issue only 50 permits until the successes and challenges can be evaluated

## ▣ Recommended Approach:

- ▣ Mandatory Registration Form (no permit)
- ▣ Registration Form would include basic information required to help the City monitor compliance
- ▣ Registrants acknowledge operational criteria of the Home Sharing Ordinance, the City's enforcement protocols, and requirement to remit T.O.T.
- ▣ No initial limit on the number of registrants (sunset clause)



# “Sunset Clause” in Ordinance

- ❑ Staff still sees merit in establishing home sharing on a trial basis
- ❑ Staff recommends a “sunset clause” be included in the ordinance
- ❑ Ordinance would automatically terminate 18 months from the effective date unless it is extended (temporarily or permanently) by the City Council
- ❑ Sunset clause would be acknowledged by home sharers when they register
- ❑ Staff would report back to City Council six months prior to 18 month end date with report and recommendation

# Enforcement

- ▣ We have not had operational complaints with known home sharers
- ▣ Nonetheless, enforcement issues may arise
- ▣ There would be no permit to revoke
- ▣ However, we would have other standard enforcement options to ensure compliance (e.g., citations and, in extreme cases, civil prosecution)

# Next Steps

- ▣ Receive City Council comments
- ▣ Post updated home sharing program description and PowerPoint presentation on the City's website
- ▣ Continue to receive public comments
- ▣ Work with the City Attorney to prepare a Home Sharing Ordinance
- ▣ Present the Ordinance for City Council consideration

## Questions and Comments?

The public may also email comments to:  
**STRComments@anaheim.net**

Updates: **[www.anaheim.net/STR](http://www.anaheim.net/STR)**