

Mission Beach Short Term Rental Ordinance Proposal
Quantity, Regulations, Permitting & Enforcement
(Approved by the MBTC Board 5/15/2019)

Why Needed:

Mission Beach, while having a history of Short Term Rentals (STRs), is also the San Diego community that has been the most impacted by the Short Term Rental (STR) industry due to a rapid increase supported by the popularity of listing platforms in the last 5-years. While it is unclear how many active STR's exist in our community, approximately 45-50% percent (and growing) of the available dwelling units are being used as STRs. We believe that with a reasonable quantity of STRs, proper management, regulations and enforcement, STRs can operate cohesively within our community.

Our Committee:

The Mission Beach Town Council (MBTC) intentionally formed a committee made up of long-term Mission Beach residents that have diverse perspectives and experiences with STRs.

Each committee member has deep experience with the pros and cons of STRs. This outline presents a compromise between community factions representing the Mission Beach residents opposed to STRs and STR participants such as owners and management companies.

What We Did:

Our committee reviewed various California city ordinances already in place and STR laws that are being approved by other cities and the California Coastal Commission, and focused on the input from Mission Beach residents and stakeholders.

This outline is intended to provide a list of regulations (that will need detailed drafting) and suggestions for the application, permitting and enforcement process. While the outline reflects the compromise reached in Mission Beach, many proposals may be suitable for implementation City wide and/or allowing each community to establish their own STR regulations such as the number of dwelling units that may be permitted as STRs.

I. STR OWNER PERFORMANCE STANDARDS – REGULATIONS

1. Application Requirements to obtain a STR permit (details in Section III);
2. Nuisance Response Plan (details in Section IV);
3. Owner shall post signs readable from both the front and back of property containing:
 - i) The STR permit number;
 - ii) 24-hour contact;
 - iii) Physical address of the STR; and
 - iiii) Maximum occupancy;
4. The STR unit must comply with all applicable building codes and ordinance;
5. Applicant must agree to allow the city to inspect the property at will;

6. Primary rental occupant must be an adult, age 25 years or older, who must be present on rented unit or property;
7. Minimum stay of three (3) nights required;
8. Occupancy, sleeping/night, is limited to two (2) persons per bedroom, plus two (2), 10:00pm-8:00am;
9. Daytime occupancy shall not exceed two (2) times the allowed night time occupancy or a maximum of twenty (20) persons whichever is less;
10. All STRs must POST:
 - At least one (1) “Good Neighbor Policy” brochure inside the STR;
 - A notice inside the STR stating that the STR is part of the San Diego City STR program and subject to STR ordinances;
11. Owner must regulate trash and recycling to ensure the containers can be closed (never overloaded), remove trash and recycling within fourteen (14) hours of receiving notice of an overload and make containers available for scheduled collection(s);
12. Upon receipt of a nuisance complaint the owner or manager shall take immediate corrective action in accordance with the nuisance response plan that is filed as part of the permit application;
13. The owner or manager must maintain a log, either hard copy or digital, that is subject to inspection and records all nuisance complaints and the response taken by the owner or manager;
14. Violations of any STR ordinances in the application process or management thereof shall result in strict penalties including monetary fines and revocation of the STR permit.
 - Fraud in the application results in \$1,000 fine and notice of pending revocation and right to appeal.
 - Three (3) verified violations of any STR regulations including nuisance response within a nine (9) month period from the first violation will result in a notice of pending revocation and right to appeal.
 - 1st verified violation - \$1,000; 2nd verified violation - \$2,500; 3rd verified violation - \$4,500, plus notice of pending revocation and right to appeal.
 - Any assessed monetary penalty must be paid as a condition of having the right to appeal.
15. STR permits do not convey with the sale or transfer of a STR unit or property. However, a transfer between parent(s) and child(ren), whether death or gift, will be allowed.

COMMUNITYWIDE STR PERFORMANCE STANDARDS – REGULATIONS

1. Community Density

a. The quantity of STRs in the Mission Beach community is to be limited:

i. For all single family, multiple family, apartments & condominiums, the maximum allowed quantity of STR units in Mission Beach shall not exceed thirty (30%) percent of the total dwelling units (Unit total to be based on SANDAG). <http://datasurfer.sandag.org/howto>;

ii. Excluded from the thirty (30%) percent STR limit are the following:

A. STRs within a commercial zone; and

B. STRs that are part of an owner occupied property.

b. Existing Transient Occupancy Tax (TOT) certificate holders with a payment history will receive one (1) year from the enactment of the new ordinance to submit an application and become compliant with the new regulations.

c. New STR permits will only be issued when the number of existing STR permits is less than thirty (30%) percent of the dwelling units in Mission Beach, excluding STRs in commercial zones or owner occupied properties with STRs.

d. Following a two (2) year evaluation period from enactment of the new STR regulations, the City shall review the number of issued STR permits, the community quantity and how the new regulations are impacting the total quantity of STRs.

II. APPLICATION REQUIREMENTS – DATA & SUBMITTALS

To obtain a STR permit for any unit, the applicant, whether new or existing TOT holder, must submit a written application that contains the following required data:

1. Owner's name, social security number and contact information;
2. 24/7 on-call contact information for owner or manager, as applicable;
3. A Social Security # of an owner who owns at least 25% of the dwelling unit whether personally or through an entity such as a corporation, LLC or partnership (allowing for one SS# to qualify only one STR), excluding STRs in commercial zones or owner occupied properties with STRs.
4. Applicant, by signing application, must confirm the City's right to inspect the STR at will.

5. The trash and recycling containers that are allocated for use by the STR, identified by the City's issued identification number or, if not applicable, the STR's address affixed onto the containers by the owner.
6. Proof of ownership including, but not limited to deed for STR property.
7. The STR application and its attachments must be submitted and signed by the applicant "Under the Penalty of Perjury".

Submittals to accompany STR application, copies of:

1. Existing TOT certificate, if already issued;
2. "Homeowner Exemption" if an owner occupied dwelling;
3. Proof of Insurance;
4. The written nuisance response plan;
5. Photographs of trash and recycling containers for the STR depicting the City identification number or owner generated identification numbers reflecting STR address; and
6. STR unit and premises drawings that depict the following (scale not required):
 - On-site parking location (there must be one (1) spot per STR).
 - Unit floor plan showing all bedrooms, bed sizes and configurations.
 - Storage location of trash and /recycle containers.
 - Location where contact signage will be posted on STR building.

Application & STR Permit, in general:

1. Any STR permit is for a one (1) year period only and annual renewal is required;
2. Application must be submitted, reviewed for compliance and, if in compliance, the STR permit is issued. Note, if STR unit does not already have a TOT number, the number is issued upon approval;
3. A non-refundable application processing fee of \$250.00 is suggested. If the application is approved, the processing fee is credited towards the annual permit fee;
4. Annual STR permit fee, per unit, is \$950.00 (To partially fund costs of enforcement);
5. Permits are issued on a non-calendar year basis from the date of the STR permit's issuance.

III. ENFORCEMENT – FALSE APPLICATIONS, VIOLATIONS & PENALTIES

An owner or the designated manager has responsibility for compliance and enforcement of the STR regulations. However, the owner will be held accountable for lack of enforcement through robust fines and revocation of the STR permit. This “self-policing” requirement is intended to reduce the City and police department’s participation in enforcement activities and minimize their involvement.

Components related to accomplishment of the goals:

1. Owner/Manager Responsibilities:

- Display the required signage on the STR property readable from the sidewalk, alley and/or street;
- Maintain a complaint log that includes;
 - Complaint date and time;
 - Response time for each incident;
 - Tenant/guest name;
 - Name and contact information of the person making or submitting the complaint.
- Required minimum nuisance response plan:
 - 1st complaint – The owner/manager shall contact the guest within thirty (30) minutes of a complaint and document the contacts made in the log;
 - The complainant must wait thirty (30) minutes before making a second call to the owner/manager;
 - 2nd complaint- The owner/manager must go to the STR within one (1) hour; and
 - 3rd complaint- If the source of the complaint continues after two (2) hours from the first (1st) contact to the owner/manager, the complainant may then call the City enforcement hot line to request a verified violation.

2. City Enforcement:

- Provide STR complaint hot line and website;
- Following a complaint to the City hot line, the City will review the owner/manager complaint log and records, and the complaining party’s photos/video and phone records;
- Certification of three (3) verified complaints, the City shall issue a verified violation and levy fines as follows:
 - 1st verified violation- \$1,000;
 - 2nd verified violation- \$2,500; and
 - 3rd verified violation- \$4,500 and a notice of pending permit revocation and right to appeal;
- Verified violations are counted over a continuous nine (9) month period from date of the first violation.
- The Owner of a revoked STR permit may reapply after 2 years.

MBTC STR Committee:

Kimberly Wise – Chair of the STR committee, MBTC Executive Board member since 2015 and a Mission Beach business owner since 2000. Kimberly has lived in MB since 1992 with her husband, Michael (MB resident since 1988) and teenage son in North MB.

Greg Knight – Mission Beach property owner and resident for over 30 years.

Blaine Smith – Owner of 710 Beach Rentals and Mission Beach stakeholder since 2005.

Larry Webb – I've resided in Mission Beach since the early 80's. My wife and I own a four-plex in South Mission where we raised our four children. Currently the four-plex has two short term rentals and two long term rentals which we hands on manage. We reside in an additional condo we own in South Mission.

Scott Morrison – Mission Beach property owner and resident since 1982 (37 years).

Bob Semonsen – 5 year resident and property owner. Bob worked on San Luis Obispo county vacation rental ordinance in 2000.

Cathy Ives - Pacific Beach and Mission Beach resident since 1954 and stakeholder since 1996. Self-Employed blogger on Environmental Issues with a focus on oceans and beaches.