City Council Agenda Report

From: Warren Frace, Community Development Director

Subject: City Council Requested Revisions - Short-Term Rental Ordinance Zoning Code Amendment (ZC 15-006)
An Amendment to the Zoning Code to add provisions regulating Short-Term Rentals in all Zoning Districts throughout the City.

Date: July 16, 2019

Facts
1. Short-term rentals (also known as “vacation rentals”) refer to the practice of renting rooms or houses for a period of less than 30 days.
2. Short-term rentals fall under the Transient Occupancy lodging definition of the City Municipal Code (21.08.444), which requires the payment of transient occupancy tax (TOT) and a business license.
3. The City does not have any specific code provisions that regulate short-term rentals.
4. Due to the growing popularity of short-term rental websites such as Airbnb and VRBO, there are currently estimated to be 350± short-term rentals operating in Paso Robles, up from 167 in November 2016.
5. In December 2014, the City had issued 71 business licenses for short-term rentals.
6. As of June 2019, the City had issued 369 business licenses for short-term rentals with the requirement to pay transient occupancy tax to the City.
7. In spring 2015, as a result of increasing public complaints, the City Council requested staff to analyze the operation and impacts of short-term rentals within the City.
8. In August 2015, the Assistant City Manager prepared a Short-Term Rental Outreach Plan that called for; (1) a Focus Group meeting of short-term rental operators; and (2) a public workshop.
9. On September 23, 2015, staff hosted a “focus” group at the EOC that was attended by five local short-term rental operators. The theme of the operator comments was, limited regulations creating a level playing field for short-term rental operators was a good idea, and short-term rentals were an important tourism and economic development resource. The group preferred voluntary “good neighbor” guidelines rather than strict City standards.
10. On November 4, 2015, the City hosted a short-term rental community workshop in Council Chamber attended by a standing-room-only crowd that appeared to be a balance of operators and concerned neighbors. The theme of the meeting comments was balanced between the need to protect residential neighborhoods while promoting tourism and economic development.
11. On March 15, 2016, the City Council considered a Short-Term Rental Policy update report and authorized the City Manager to form an advisory panel consisting of operators and neighbors to work collaboratively with staff on policy recommendations for the City Council’s consideration.

12. On April 21, 2016, following a public application process, the following people were appointed to the Short-Term Rental Task Force:
   - Kathy Bonelli
   - Bill Haas
   - Stacie Jacob
   - Dan Jones
   - Meridith Maas
   - Mark McConnell
   - Jill Ogorsolka

13. From May to September 2016, the Short-Term Rental Task Force met eight separate times to review short-term rental issues and explore potential policy options.

14. On September 9, 2016, the Short-Term Rental Task Force recommended a draft Short-Term Rental Ordinance and a Statement Concerning Density of Short-Term Rentals to the City Manager for consideration.

15. On January 31, 2017, the City Council held a public workshop to review the short-term rental task force recommendation. The City Council was in general agreement with the Task Force’s recommendation but requested a number of refinements. The primary changes were to streamline the requirements and move the occupancy and parking limits to the Good Neighbor Brochure as guidelines.

16. Staff and the City Attorney worked together to revise the draft ordinance to address the City Council’s concerns and consistency issues with other Code sections.

17. On September 9, 2017, the Short-Term Rental Task Force was reconvened to review the revised draft ordinance. The Task Force considered the draft, along with public comments, and asked staff to make some minor adjustments to the ordinance, which were incorporated in a revised draft ordinance.

18. On October 10, 2017, the Planning Commission held a public hearing to consider the proposed short-term rental ordinance and continued the hearing to October 24, 2017 with direction to staff to further analyze the section of the ordinance prohibiting transfers of permits and the 3-year term.

19. On October 24, 2017, the Planning Commission reconvened the public hearing and voted to recommend the City Council approved the proposed ordinance. In addition to the recommendation, the Planning Commission forwarded the following comments for consideration:
• The long-term impacts of short-term rental density will need to be monitored and should be reviewed in the future by the Planning Commission.

• The City Council should consider an amnesty program for existing short-term rentals that are not making transient occupancy tax payments.

• There are privacy concerns regarding the posting of short-term rental addresses on the City’s website, but there are no easy alternatives for providing public information regarding short-term rental locations.

20. The City Council deferred taking action on the ordinance in 2017. However, since that time, additional concerns have been expressed regarding the increasing number of short-term rentals and their impacts upon residential neighborhoods.

21. On February 5, 2019, the City Council adopted an urgency ordinance and held first reading of a regular ordinance regarding short-term rentals, both on 4-0 votes. However, due to potential conflict of interest issues, the Council was asked to consider repealing the urgency ordinance and not hold second reading of the regular ordinance.

22. On February 19, 2019, the City Council repealed the urgency ordinance and did not re-introduce an ordinance for first reading, but referred the short-term rental ordinance back to The Short-Term Rental Task Force for additional review.

23. On February 28, 2019, the Short-Term Rental Task Force reconvened with the following members:

- Kathy Bonelli
- Bill Haas
- Danna Stroud
- Dan Jones
- Scott Laycock
- Mark McConnell
- Jill Ogorsolka

24. This second Short-Term Rental Task Force held eight public meetings over an eight-week period. The meetings were well attended by the public and the public was given ample opportunity to raise issues and ask questions during the process.

25. At the last Short-Term Rental Task Force meeting on April 17, 2019, the Task Force endorsed a series of recommendations that are shown in Attachment 1. Those recommendations have been incorporated into the proposed Ordinance (Attachment 2) and the Short-Term Rental Permit Processing and Numeric Limits Resolution (Attachment 3).

26. The Planning Commission held a hearing on the proposed ordinance on April 23, 2019. Prior to the meeting, the City Attorney determined (based on a recent revisions to the FPPC regulations) that any Commissioner owning residential property within 500 feet of a licensed short-term rental may have a disqualifying conflict of interest. Consequently, only Commissioners Donaldson and Castillo were eligible to vote on the item. In order to establish a quorum, the conflicted Commissioners drew straws to determine which two additional Commissioners would hear the item. Commissioners Koegler and Jorgensen were selected to stay and the other Commissioners left the room.
27. The Planning Commission heard from 20 members of the public. The Commission voted 4-0 (Castillo, Donaldson, Koegler and Jorgensen) to continue the item to the May 14, 2019 Planning Commission meeting and refer back to staff for additional analysis the following items:

1. Expand the neighborhood noticing requirement to 300 feet.
2. Establish escalating fines for first and second violations.
3. Prohibit exterior signage.
4. Consider more restrictive on-street parking restrictions, with different requirements for STRs in the R-1 zones.
5. Consider more restrictive occupancy standards, with different requirements in the R-1 zones.
6. Consider options to require a reduction of the number of R-1 short-term rentals, by reconsidering the grandfathering, analyzing the logic of the 100-permit cap.

28. The Planning Commission reconvened a continued public hearing to consider the proposed Short-Term Rental Ordinance on May 14, 2019, where Commissioner Donaldson stepped down due to a potential new conflict of interest. In order to establish a quorum, Commissioners Davis and Neel drew straws again to determine which one would hear the item. Commissioners Davis was selected to stay and Commissioner Neel left the room. The Planning Commission voted 4-0 to continue the hearing to May 15, 2019 to allow Commissioner Davis time to listen to the tape of the April 23, 2019 Planning Commission meeting and otherwise prepare.

29. The Planning Commission held a public hearing to consider the proposed Short-Term Rental Ordinance on May 15, 2019, where they considered a staff report and took comments from 43 members of the public in attendance, as well as a full packet of correspondence, prior to recommending the City Council adopt a revised version of the Short-Term Rental Ordinance (Attachment 2) and procedure resolution (Attachment 5) attached to this Staff Report., which would implement the following requirements:

- Ministerial permits for home-share and vacation rentals in all residential districts, subject to a numeric limit on the number of permits that may be issued.
- Requirement to pay transient occupancy taxes and obtain business licenses.
- Minimum separation requirements in the R-1 zoning district.
- Occupancy limits and parking requirements.
- Requirement to comply with “Good Neighbor” guidelines.
- Creation of a complaint hot-line system to resolve neighborhood issues.

30. On June 5, 2019 the City Council held a duly noticed public hearing at the adjourned June 4, 2019 regular City Council meeting to consider a recommendation from the Planning Commission and heard public testimony on the proposed Short-Term Rental Ordinance and introduced an ordinance for first reading by title only.

31. On June 18, 2019 the City Council did not introduce the ordinance for second reading, but rather referred the ordinance back to staff to prepare a modified version of the Short-Term Rental Task Force’s recommended ordinance with the following changes:

- Cap the maximum number of non-hosted Short-Term Rentals in the R-1 District at 75 permits.
- Grandfather all Short-Term Rental Business Licenses submitted on or before July 16, 2019 for the purposes of issuing 3-year Short-Term Rental Permits.
- Include the parking and occupancy limits as recommended by the Planning Commission.
- Remove all buffer separation requirements.
• Allow Homeshare Permits to operate as Non-Hosted Accommodations for a maximum of 30-days per calendar year.

• Adopt escalating fines for violations of $500, $1000 and $2000, subject to state law restrictions. After further review, the proposed resolution establishes escalating administrative fines of $500, $750, and $1,000 per violation. Section 1.03.020 allows the City Council to establish higher fines by resolution than the default amounts set forth in Section 1.03.020, but fines for violations of the municipal code generally cannot exceed $1,000 when the violation is a misdemeanor (violations that are deemed infractions are subject to lower escalating fines of $100, $200, and $500, per Gov. Code § 36901.

Options

1. Take no action;

2. Adopt the “Council Modified Short-Term Rental Task Force” version of the Short-Term Rental Ordinance (Ordinance B-1) and Resolution X re: Short-Term Rental Permit Processing; or

3. Adopt the “Planning Commission” version of the Short-Term Rental Ordinance (Ordinance A) and Resolution X re: Short-Term Rental Permit Processing; or

4. Adopt a revised version of the proposed Short-Term Rental Ordinance and Resolution of Short-Term Rental Permit Processing Policies, based on Council direction; or

5. Refer back to staff, and/or the Planning Commission for additional analysis.

Public Outreach

The short-term rental process began in 2016 and has involved a significant public participation process including:

- Two Short-term Rental Task Forces: 17 public meetings
- Planning Commission: 5 public meetings
- City Council: 9 public meetings (including this meeting)

During this process the Short-Term Rental Task Force, Planning Commission, and City Council have all taken testimony and received written comments from many hundreds of members of the public with concerns on all sides of this important community issue. The City has received numerous short-term rental comments from the public since the last Planning Commission hearing. The comments are included as Attachment 1.c.

The November 4, 2015 Short-Term Rental Community Workshop revealed the complexity of the issues related to short-term rentals. The “word clouds” below highlight the frequency of different words and terms raised during the Workshop. A separate word cloud was prepared for short-term rental operator comments and for concerned neighbors. The key terms identified by the operators were: tourism, owner responsibility, and no change. The key terms identified by concerned neighbors were: protect residential character, safety, and parking. The proposed short-term rental ordinance is written to address and balance the concerns of both sides, as well as the rest of the community.
1. **Short-Term Rental Task Force Process and Recommended Ordinance**

The goal of appointing a Short-Term Rental Task Force representing all of the interests in the issue, was to find a balanced policy solution that was acceptable to all stakeholders.

The Task Force identified the following principles to guide development of the short-term rental policy:

- Protection of residential neighborhoods and quality of life
- Encouraging compliance
- Maximize Transient Occupancy Tax collections
- Ensure a “level playing field” for all lodging businesses regardless of size and type
- Create realistic and enforceable regulations
- Provide rules that “fit” Paso Robles

Over the course of eight meetings that included significant public input, the Task Force created a draft Ordinance organized around the following sections:

- Definitions
- Licensing Requirements
- Responsible Party Designation
- Operational Requirements
- Violation Enforcement

This draft Ordinance was reviewed by the City Council in January, 2017 and was revised based on City Council direction. The Short-Term Rental Task Force met in September, 2017 to make additional refinements. The proposed ordinance was considered again by the Council, but not adopted.

Since then much has changed. There are more short-term rentals than there were in 2017, with the current count over 350 with business licenses. Several neighborhoods, such as Hilltop Drive and Ridgeview Court, have been significantly impacted.

In November, 2018 the City Council requested that the Task Force be reconstituted. Practices of a number of owners and tenants of short-term rentals in the Hilltop area and elsewhere, made it clear that regulations were necessary given such issues as increased noise and traffic, including charter buses, as a result of short-term rentals. In January, 2019 the Planning Commission held a public session on short-term rentals. Based on the testimony received, the Planning Commission unanimously requested urgency in addressing the existing problems. At the January 16th City Council meeting, the Council requested that the ordinance be brought back immediately to address the current problems.

On February 5, 2019, the City Council adopted an urgency ordinance and held first reading of a regular ordinance regarding short-term rentals. However, due to potential conflict of interest issues, the Council was asked to consider repealing the urgency ordinance and not hold second reading of the regular ordinance. On February 19, 2019, the City Council repealed the urgency ordinance and did not re-introduce an ordinance for first reading, but referred the short-term rental ordinance back to The Short-Term Rental Task Force for additional review.

On February 28, 2019, the Short-Term Rental Task Force reconvened. The new Task Force held eight public meetings over an eight-week period. The meetings were well attended by the public and the public was given ample opportunity to raise issues and ask questions during the process. At the last Task Force meeting on April 17, 2019, the Task Force endorsed a series of recommendations (Attachment 1). Those recommendations have been incorporated into the Draft Ordinance (Attachment 2) and the Short-Term Rental Permit Processing and Numeric Limits Resolution (Attachment 3).
2. **June 18, 2019 City Council Direction**

On June 18, 2019 the City Council did not introduce the Short-Term Rental Ordinance for second reading, but rather referred the ordinance back to staff to prepare a modified version of the Short-Term Rental Task Force’s recommended ordinance with the following changes:

- Cap the maximum number of non-hosted Short-Term Rentals in the R-1 District at 75 permits.
- Grandfather all Short-Term Rental Business Licenses submitted on or before July 16, 2019 for the purposes of issuing 3-year Short-Term Rental Permits.
- Include the parking and occupancy limits as recommended by the Planning Commission.
- Remove all buffer separation requirements.
- Allow Homeshare Permits to operate as Non-Hosted Accommodations for a maximum of 30-days per calendar year.
- Adopt escalating fines for violations of $500, $1000 and $2000, subject to state law requirements (see more on fines in Part D below).

These changes have been incorporated in Ordinance B.1. (Attachment 2). The Planning Commission’s May 15, 2019 recommended ordinance remains as Ordinance A (Attachment 3) and is summarized in the following section.

3. **Short-term rental Process and Procedures**

A. **Good Neighbor Brochure and Hotline**

A Good Neighbor Brochure (refer to Attachment 4) will be provided by the permittee to all renters, who must then comply with its requirements. A third-party Hotline Response would be established to notify permittees of neighborhood complaints prior to involving the Police Department. The short-term rental licensing fees would fund the Hotline.

Permittee would be required to respond to any Hotline notifications as follows:

- The Owner or Authorized Agent shall resolve the complaint within thirty (30) minutes of being notified of a complaint by the Hotline.
- The Owner or Authorized Agent shall notify the Hotline attendant of the corrective action taken and results obtained within thirty (30) minutes of being notified of a complaint by the Hotline.
- If the Owner or Authorized Agent believes the situation is un-safe, they shall immediately contact the Police Department for assistance. Proactively contacting the Police Department for assistance will not be counted as a permit violation.

B. **Permit Conditions**

One of the key issues the Task Force identified was the need for both short-term rental owners and guests to be respectful of residential neighborhoods. The ordinance requires the Permittee (owner or agent) take full responsibility for ensuring all renters are aware of and follow City rules.

C. **Violations and Enforcement**

This section provides an escalating process for addressing violations to the Short-Term Rental Ordinance ranging from administrative citations, revocation of permit, to criminal prosecution.

Violations would be defined as follows:

- Permittee provided materially false or misleading information in any submittal required under this Chapter;
- the Permittee has committed a total of three (3) violations of a combination of any of the violations specified in Section 21.34.060.B within any 365 day period;
- the Permittee fails to maintain an active business license tax certificate per Chapter 5.04
Any enforcement action of the Director may be appealed to the Planning Commission by the applicant or anyone interested.

D. Establish Escalating Fines for First and Second Violations
The City Council will need to amend the Paso Robles Municipal Code to establish escalating Administrative Fines for short-term rental code violations. The City Council requested fines in the amount of $500 for a first violation, $1,000 for a second violation, and $2,000 for third and subsequent violations. The third, $2,000 fine would be combined with the permit revocation process. The City Attorney advised Council that the requested fine amounts would need to be consistent with state law requirements, as criminal infraction amounts and administrative fines are capped differently in state law and would need to be authorized by appropriate language in the Ordinance. Upon review of state law requirements and the City’s existing administrative fine amounts, the maximum administrative fine that may be levied for violation of the Ordinance is $1,000 per Government Code section 36901. Council has discretion to determine the fine escalation up to that maximum. The Municipal Code, section 1.03.020 currently sets administrative fines for violations at $100, $200, and $500 respectively. Accordingly, the Ordinance has been revised slightly to specifically authorize the Council to establish, by separate resolution, administrative fine amounts for violations of the Ordinance, instead of authorizing only those fines specified in Municipal Code section 1.03.020. The attached Resolution sets the fines at the following amounts: $500 for a first violation, $750 for a second violation, and $1,000 for third and subsequent violations. The third, $1,000 fine would still be combined with the permit revocation process.

Administrative fines are one remedy option the City may impose for violations of the Short-Term Rental Ordinance, but the Ordinance also allows the City to pursue other remedies as appropriate, including nuisance abatement.

**Short-term rental Administrative fines structure.**

1. A fine not exceeding one hundred ($500) dollars for a first violation;

2. A fine not exceeding two hundred ($750) dollars for a second violation of ordinance or permit within one year from the date of the first violation;

3. A fine not exceeding five hundred ($1000) dollars for each additional violation of ordinance or permit within one year from the date of the first violation.

E. Permit Fees
Consistent with City policy, the administration of the program and hotline service costs should be covered by the short-term permit fee. Staff has reviewed the ordinance process and determined the following cost factors:

- Each permit application will take an average of 1.5 hours of staff time to process plus 1 hour for noticing.
- A compliance contractor could operate the hotline and do periodic checking to ensure all short-term rentals are licensed for a projected $20,000± annually.

Based on this analysis, the non-refundable Short-Term Rental Permit Fee (3-year term) is set at $550 (includes permit processing, noticing, and the hot-line fee). Homeshares with only one bedroom available to rent would pay a reduced Permit Fee of $300.
F. Short-Term Rental Permit Processing Procedure
The following Short-Term Rental Permit processing procedures would be adopted by separate Resolution of the City Council to ensure an orderly and consistent conversion of existing short-term rental business licenses into Short-Term Rental Permits:

a) On the effective date of the ordinance, the City shall stop accepting and issuing Short-Term Rental Business Licenses without proof of a valid Short-Term Rental Permit issued to the applicant.

b) On the effective date of the ordinance, Short-Term Rental Permit applications will be accepted only from owners in possession of an existing, valid Short-Term Rental Business License whose business license application was submitted to the City on or July 16, 2019. To be considered for the initial issuance of permits, Short-Term Rental Permit applications from owners in possession of an existing, valid Short-Term Rental Business License, whose business license application was submitted to the City on or before July 16, 2019, must be submitted within 30 days of the effective date of the ordinance. Short-Term Rental Permits will be issued to all valid business license holder with complete application as follows:

i. Short-term rental permits submitted in the first 30-days as specified above will not be restricted by numeric caps within a zone or on an individual lot.

c) Short-term rental operators that complied with the provisions in Section b above, may continue to operate until a Short-Term Rental Permit is issued or denied by the City. If a permit is denied and an appeal is filed, the short-term rental may operate until the appeal process is exhausted.

d) Starting 30 days after the effective date of the ordinance, no additional Short-Term Rental Permit applications will be accepted by the City, except as specified below.

e) All Short-term rentals with a valid business license may operate without restrictions to the morning after August 1, 2019.

f) Effective September 6, 2019, business licenses for short-term rentals will only be renewed if a Short-Term Rental Permit has been issued for the business.

g) Starting 90 days after the effective date of the ordinance, Short-Term Rental Permit applications may be accepted, with permits to be issued to eligible applicants on a first-come basis consistent with the numeric permit limits established by the City Council, as well as the parking and occupancy requirements of Chapter 21.34 of the Paso Robles Municipal Code.

h) In the event the City is unable to issue a permit solely due to the numerical limits established herein, the City will develop and maintain a permit availability list and may place applicants on the list. If a permit becomes available, the City will notify the applicant by US Mail who has been on the permit availability list the longest and allow him or her a reasonable time to provide the City with any information necessary to ensure the application is current and otherwise complies with the ordinance. If the applicant fails to respond and/or provide current information within 30 days, the City shall remove the applicant from the permit availability list and repeat the process until a permit has been issued or all of the applicants on the permit availability list have been notified.

G. Sunset Clause
The ordinance would include a sunset clause to expire within three years of the effective date unless the City Council has conducted a review of its provisions and either extended or amended the Short-Term Rental Ordinance.

H. California Building Code Consistency Questions
During the 4/23/19 Planning Commission hearing, a member of the public submitted information and requested clarification regarding how the California Building Code applies to short-term rentals. The City’s Chief Building Official has reviewed the issue and provided the following summary.
The California Building Code Classifies a Single-Family Home as **Residential R-3 occupancy** (R-3 building code occupancy is not related to the City’s R-3 zoning districts).

Residential R-3 Occupancy Includes:
- Buildings with 1 or 2 dwelling units (Single-Family Home or Duplex)
- Boarding Houses (Transient ≤10 Occupants)
- Congregate Residences (Transient ≤10 Occupants)
- Lodging Houses (≤5 Guest Rooms)

**Conclusion:**
From a California Building Code standpoint, use of a Single-Family Home or Duplex as a Short-Term Vacation Rental or Home Share is allowed.

### 4. Planning Commission Process and Recommended Ordinance

The Task Force recommendations then went to the Planning Commission where they were considered on April 23, 2019 and on May 15, 2019. The following section is a summary of the key elements of the version of the ordinance as proposed by the Planning Commission. In general, the Planning Commission’s version is more restrictive than the version proposed by the Task Force. The “standard” text of the attached ordinance and resolution are the original recommendation of the Short-term Rental Task Force and staff. The track-changes (strike-through and underlining) are the changes the Planning Commission is recommending.

**Fiscal Impact**

The collection of transient occupancy tax (TOT) from short-term rentals is revenue positive to the City. Attachment 1b provides a summary of transient occupancy tax collection for the past 3 years. Both ordinances prohibit the operation of a short-term rental without a permit and payment of transient occupancy tax.

Implementation of either ordinance will also require increased staff resources to administer, as well as an additional fee to operate the telephone hotline. Implementation of the permit system, in and of itself, should be cost neutral by adding a Short-Term Rental Permit Fee to the City’s Comprehensive Fee Schedule.

**Recommendations**

1. **Planning Commission Recommendation** (Option 3)
   After hold the required public hearings, the Planning Commission on May 15 recommended the City Council adopt Ordinance A (Attachment 4) version of the proposed Short-Term Rental Ordinance and approve the Short-Term Rental Processing Policies. (Note: the modified version requested by the Council has not been considered by the Planning Commission; there is no way to know if the Commission would continue to recommend Option 3 or not.)

2. **Alternative Recommendation** (Option 2)
   The City Council has requested a modified version of the Short-Term Rental Task Force Ordinance (Ordinance B-1, Attachment 2) for consideration, by taking the following actions:

2. Approve Resolution 19-XXX (Attachment 3) approving the Short-Term Rental Permit Processing Fee, Procedures, Numeric Limits, Administrative Citation Fines, Violation Enforcement, and Annual Monitoring Policies; and

3. Direct staff to bring back to the City Council, at the appropriate times, amendments to the Zoning Ordinance, the Noise Ordinance, the Parking Ordinance, and the Land Use and Housing Elements of the General Plan to address issues raised by the community and City Council regarding Short Term Rentals, in order to ensure consistency of treatment.

Attachments
1. 4/18/19 Short-Term Rental Task Force recommendations
   a. Short-term Rental Business License Location Map and Buffers
   b. Transient Occupancy Tax Summary
   c. Public Comments Received Since 6/18/19 City Council meeting
2. Ordinance B1 - Short-Term Rental Ordinance as Requested by the City Council on June 18, 2019
3. Resolution 19-XXX - Short-Term Rental Permit Processing Fee, Procedures, Numeric Limits, Administrative Citation Fines, Violation Enforcement and Annual Monitor Policies
4. Ordinance A - Short-Term Rental Ordinance as Recommended by the Planning Commission
5. Draft Good Neighbor Brochure
6. City Council Hearing Legal Notice
April 18, 2019 - 2019 Short-Term Rental Task Force meeting #8

Task Force Members
Bill Haas present
Dan Jones present
Danna Stroud present
Jill Ogorsolka absent
Kathy Bonelli present
Mark McConnell present
Scott Laycock present

Short Term Rental Task Force Recommendations

The Short Term Rental Task Force reviewed the 2019 Draft Short Term Rental Ordinance presented to the City Council on February 19, 2019 line-by-line and made recommendations for changes to the existing language and topics covered in the ordinance. Those changes are summarized below in Table 1. In addition, the task force made recommendations to address concerns raised by members of the public during public comment and feedback from the Planning Commission. The task force purposely dedicated large portions of the first two meetings to public comment to ensure that residents’ concerns informed their recommendations. In order to do so, the task force made recommendations to add sections to the ordinance.

The recommendations below represent a general consensus that was reached by the members of the task force. A great deal of debate led to these recommendations and on many topics unanimity was not possible, as the task force members were chosen to represent a broad cross-section of opinions on this topic.

Recommendations

Definitions:

“Short-Term Rental” (STR) means any habitable structure constructed for residential occupancy under the California Building Code for which a rental contract for occupancy has been made for a term of 30 days or less and for which the Short-Term Rental use is permitted to operate, pursuant to a current and valid Permit on file with the city. STRs include both homeshares and non-hosted accommodations.

“Homeshare” means a Short-Term Rental structure or property in which the owner both resides and remains during the time a renter is occupying the STR. This can include an accessory dwelling unit that shares an assessor parcel number (APN) with the primary residence of the owner.

“No-hosted accommodation” (NHA) means a STR structure or property that is not occupied by either the owner or an authorized agent while it is being occupied by a renter. A NHA-permitted parcel can operate as a homeshare, but not the converse.
The task force discussed the appropriate zoning for the NHAs and homeshares. Of the zoning districts where STRs are currently allowed, the task force reached consensus that both homeshares and NHAs should be permitted in all of the zoning districts associated with the Uptown Specific Plan and the R-2 zone without further restrictions. There was also general consensus that they should be permitted in the R-1 zoning district with additional restrictions. Nothing in this ordinance changes other parts of the zoning ordinance that are not specifically discussed in this section.

Restrictions

1. **Density limits** – the task force expressed sensitivity to neighbors’ complaints of the density of NHAs in single-family residential neighborhoods.
   
a. **Buffering** – the task force reached a consensus that there should be a 50-foot buffer between NHAs only (homeshares would be exempt) in the R-1 Zone. Buffers are not allowed to conflict, effectively creating a 100-ft separation between NHAs. Of the 79 NHAs conflicts, 40 would have to go away to satisfy the buffers.

   b. **Max cap of STR permits** – the task force reached a consensus that the overall number of NHAs and home shares allowed in the City should be capped. There was no consensus on a number or process for determining that number. Some members suggested that the number be capped at the total number of business licenses of NHAs at the time of the adoption of this ordinance. A moratorium on the issuing of new business licenses go into effect immediately upon approval of ordinance. Cap at time of adoption of NHAs with a goal of no more than 100 in the R-1. 250 cap with the rest of the zoning districts. Homeshares would not be limited to by the cap.

2. **Grandfathering and Pipeline** – A number of task force members expressed a desire not to take away the ability of current NHA owners, who are actively operating within the current rules (valid business license, timely remittance of T.O.T., limited noise complaints, etc.) and raised the concept of grandfathering those NHAs. This grandfathering would allow the operators to continue operating their units regardless of buffers or other restrictions that would prohibit their operation. A plurality of the task force members expressed the belief that additional regulations would initiate a reduction of operators and this natural attrition would result in a significant number of NHAs becoming long-term rentals or primary residences. These grandfathered units would be permitted only to the current owner, as permits would not be transferrable to another location or to a new owner of the permitted property. With regard to the definition of a pipeline for projects, the task force recognized that this ordinance is distinguished from other zoning in that the permits do not run with the land.

Revocation for Cause

The task force wanted to ensure that the ordinance have “teeth” to ensure enforceability. To that end, the task force developed language to include in the ordinance.

Cause as it relates to loss, forfeiture, or suspension of a license to operate:

1. Failure to remit required fees and taxes. (Of the 344 NHAs, the owners of ______ have paid TOT for 3 of the last 6 months.) (Task force may be willing to limit qualifying owners to: have bus license; have paid TOT; no outstanding code enforcement issues; etc.)
2. Attempt to transfer of the permit to another owner.

3. Operation for other than the specific purpose of the property as a NHA including, but not limited to:
   a. Criminal activity, habitual public nuisance or serial violation of the ordinance take place at, on, or with respect to the vacation rental property
   b. Keeping of a disorderly place is cause for revocation; that is, the ownership and/or management of any property purported to be a vacation rental where unlawful practices regularly occur will result in the loss of the vacation rental permit
   c. Operation of the property for other than the specific purpose of a vacation rental including but not limited to allowing or taking part in dealing of controlled substances, gambling, pandering or prostitution, or sub-letting for such illegal use or uses is cause for permit revocation

4. Keeping of a disorderly place, defined as one or more criminal complaints verified within a one-year period or two or more complaints requiring law enforcement response, also within a one-year period.

5. Being judged by the Community Development Director to pose an imminent danger to the public health and safety, per City Code for failure to meet sanitation standards, or being determined by the Building Official to be unsafe or unfit for human occupancy.

6. Failing to comply with regulations specified (by written notice) all related corrective measures within a 30-day period.

7. Advertising the vacation rental and not including in the advertisement display the vacation rental permit identification.

**Owner/manager responsibilities** – The task force reached consensus that in the event of a complaint from a neighbor with regard to an STR, the owner or their designated manager is required to be available at any time that the unit is rented and will be expected to:

1. Respond immediately to the hotline operator when called regarding a complaint.
2. If after a second call the owner/manager does not respond, then the hotline will contact the police department and the owner will be in violation of their permit.
3. If the owner/manager does respond, they are required to be onsite within 30 mins. of the initial call from the hotline.
4. The owner/manager must respond in person and contact the renter.
5. If they are unable to mitigate the complaint themselves and require police for assistance, then they are required to call the police and liaise with the police to ensure the complaint is addressed.
6. They are also required to report back to the hotline as to how the complaint was resolved.
7. Assuming the owner/manager responds as described above, they will not be in violation of the permit and even if police response is required, the incident will not necessarily be considered cause for revocation of their permit.

**Three-year Sunset/Review**

In addition to the additional restrictions and revisions in Table 1, the task force recommended that the ordinance sunset or be subject to a mandatory review in three years to assess what effect the ordinance has had and make any necessary revisions.

**Noticing to Neighbors**
The task force voiced interest in seeing a requirement of noticing to neighbors within 50 feet of the STR.
<table>
<thead>
<tr>
<th>Issue</th>
<th>Citation</th>
<th>Discussion</th>
<th>Recommended Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarify the Use Table</td>
<td>21.34.030.1</td>
<td>BNB vs. Homeshare guest house vs. ADU</td>
<td>Revise table to clarify that a guest house differs, because it does not have a full kitchen.</td>
</tr>
<tr>
<td>Definitions of Apartments</td>
<td>21.34.030.1</td>
<td>Ensure that Apartment buildings do not become hotels</td>
<td>Clarify language to ensure that apartments buildings cannot be converted to NHAs.</td>
</tr>
<tr>
<td>Homeshare Definition</td>
<td>B. 2. Application</td>
<td>Consensus around APN rather than structure</td>
<td>The task force recommends that the definition of Homeshare be revised to include ADUs that share an APN with the primary residence of the owner/manager of the STR. In addition, the task force recommended that they be allowed in every residential zone and not be subject density limits.</td>
</tr>
<tr>
<td>Duplication of statements</td>
<td>B. 9 &amp; 13</td>
<td>Remove 13</td>
<td>Remove 13 and renumber</td>
</tr>
<tr>
<td>Add revocation of permit to 11</td>
<td>B. 11.</td>
<td>Adding “teeth” to the ord.: grounds for permit revocation needs to be clear</td>
<td>The task force recommends that the 3 strikes policy include definition of cause.</td>
</tr>
<tr>
<td>Nuisance complaints</td>
<td>B. 12</td>
<td>Verification of legitimate complaints needs to be clear</td>
<td>Add verification language to the Ord. to ensure that the hotline operator is able to verify validity of complaints.</td>
</tr>
<tr>
<td>Payment for City services</td>
<td>B. 12</td>
<td>Council and task force have stated that this needs to go away.</td>
<td>Remove from Ord.</td>
</tr>
<tr>
<td>Payment for Permitting</td>
<td>C. 1</td>
<td>The task force would like to discuss the possibility of refunding partial payment for permit applications that are denied.</td>
<td>The task force did not discuss this at length, but recommends that partial permit fees be refunded if the permit is denied.</td>
</tr>
<tr>
<td>Topic</td>
<td>Number</td>
<td>Description</td>
<td>Recommendation</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>--------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Permit Term</td>
<td>D. 1.</td>
<td>The task force expressed consensus that 3 years is appropriate.</td>
<td>Maintain 3-year permit</td>
</tr>
<tr>
<td>Good Neighbor Brochure</td>
<td>D.2.</td>
<td>The task force would like to see the GNB posted in the residence and required as part of the rental agreement.</td>
<td>Revise Ord. to include in applicable areas.</td>
</tr>
<tr>
<td>Occupancy</td>
<td>D.5.</td>
<td>There was a question as to the enforcement of the occupancy restrictions.</td>
<td>The task force did not provide additional recommendations on increasing the occupancy restrictions.</td>
</tr>
<tr>
<td>Refuse and Recycling cans</td>
<td>D. 8.</td>
<td>There was a question about leaving bins out longer than 24 hours.</td>
<td>Ensure consistency with the Muni Code and whether this is cause for a complaint that might count toward permit revocation.</td>
</tr>
<tr>
<td>Exterior Signage - Visually Impaired Signage</td>
<td>D. 9.</td>
<td>The task force feels it is unnecessary.</td>
<td>Strike from Ord.</td>
</tr>
<tr>
<td>Responsibility to respond to complaints</td>
<td>D. 10 &amp; 11</td>
<td>The task force feels that there is a conflict in the language as to the role of the owner/manager.</td>
<td>Staff needs to prepare a bullet list of possible responses to clarify the expectations on the owner/managers. The task force clarified their recommendations as to what constitutes an adequate response to a complaint.</td>
</tr>
<tr>
<td>Revocation for Cause</td>
<td>21.34.060 A</td>
<td>The task force developed a definition of cause for revocation.</td>
<td>Include the new definition of cause.</td>
</tr>
</tbody>
</table>
### Hotel/Motels

<table>
<thead>
<tr>
<th>FY</th>
<th># of Rooms</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>TOTAL</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019</td>
<td>1,415</td>
<td>$570,121</td>
<td>$475,893</td>
<td>$444,632</td>
<td>$450,277</td>
<td>$396,045</td>
<td>$318,455</td>
<td>$297,672</td>
<td>$386,337</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$3,598,903</td>
<td>-27.5%</td>
<td></td>
</tr>
<tr>
<td>FY 2018</td>
<td>1,415</td>
<td>$590,977</td>
<td>$434,082</td>
<td>$455,648</td>
<td>$453,232</td>
<td>$378,736</td>
<td>$302,902</td>
<td>$259,504</td>
<td>$310,628</td>
<td>$368,963</td>
<td>$431,724</td>
<td>$466,500</td>
<td>$512,926</td>
<td>$4,965,821</td>
<td>3.3%</td>
</tr>
<tr>
<td>FY 2017</td>
<td>1,413</td>
<td>$533,492</td>
<td>$512,710</td>
<td>$442,586</td>
<td>$407,239</td>
<td>$363,335</td>
<td>$269,309</td>
<td>$238,382</td>
<td>$281,021</td>
<td>$367,686</td>
<td>$445,035</td>
<td>$454,164</td>
<td>$492,137</td>
<td>$4,807,096</td>
<td></td>
</tr>
</tbody>
</table>

### RV Parks

<table>
<thead>
<tr>
<th>FY</th>
<th># of Rooms</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>TOTAL</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019</td>
<td>525</td>
<td>$54,290</td>
<td>$35,200</td>
<td>$36,390</td>
<td>$41,230</td>
<td>$45,802</td>
<td>$29,151</td>
<td>$20,947</td>
<td>$27,072</td>
<td>$40,760</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$330,842</td>
<td>16.9%</td>
</tr>
<tr>
<td>FY 2018</td>
<td>500</td>
<td>$35,082</td>
<td>$19,161</td>
<td>$23,586</td>
<td>$25,857</td>
<td>$23,681</td>
<td>$13,532</td>
<td>$10,753</td>
<td>$15,497</td>
<td>$21,469</td>
<td>$23,995</td>
<td>$33,918</td>
<td>$36,413</td>
<td>$282,943</td>
<td>19.4%</td>
</tr>
<tr>
<td>FY 2017</td>
<td>168</td>
<td>$34,114</td>
<td>$20,530</td>
<td>$19,506</td>
<td>$22,605</td>
<td>$19,401</td>
<td>$10,291</td>
<td>$8,963</td>
<td>$13,865</td>
<td>$17,332</td>
<td>$22,787</td>
<td>$23,056</td>
<td>$24,525</td>
<td>$236,975</td>
<td></td>
</tr>
</tbody>
</table>

### Short Term Vacation Rentals

<table>
<thead>
<tr>
<th>FY</th>
<th># of Rooms</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>TOTAL</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019</td>
<td>369</td>
<td>$67,907</td>
<td>$50,515</td>
<td>$52,311</td>
<td>$55,476</td>
<td>$55,694</td>
<td>$39,449</td>
<td>$24,467</td>
<td>$43,174</td>
<td>$43,829</td>
<td>$4,217</td>
<td>$38</td>
<td>$0</td>
<td>$428,075</td>
<td>-12.8%</td>
</tr>
<tr>
<td>FY 2018</td>
<td>282</td>
<td>$54,146</td>
<td>$31,872</td>
<td>$41,742</td>
<td>$47,773</td>
<td>$42,269</td>
<td>$34,846</td>
<td>$18,657</td>
<td>$23,456</td>
<td>$39,500</td>
<td>$46,706</td>
<td>$49,911</td>
<td>$60,141</td>
<td>$491,017</td>
<td>34.3%</td>
</tr>
<tr>
<td>FY 2017</td>
<td>207</td>
<td>$34,901</td>
<td>$26,380</td>
<td>$29,805</td>
<td>$36,516</td>
<td>$32,921</td>
<td>$20,955</td>
<td>$16,779</td>
<td>$18,011</td>
<td>$28,253</td>
<td>$33,140</td>
<td>$42,012</td>
<td>$46,056</td>
<td>$365,731</td>
<td></td>
</tr>
</tbody>
</table>
I don’t understand your decision. When you allowed grandfathering you basically allowed all STR’s to stay forever in R1 zones. There is not incentive now for owners to sell, rent or move in. They have nothing but a few rules to restrict them. Neighborhoods with multiple units will continue to impacted, perhaps forever. Choosing the TF ordinance was the least helpful to us. So, once again, we residents end up with a GNB and a Hot Line that no one is likely to use unless safety is an issue. So once again, owners win, operators win, the renter wins and the City wins. Residents impacted, lose. Important to see there is NO methodology in place to meet the 75 unit goal IF attrition takes forever to achieve. There should have been some firm time line for that. There should have been help for impacted neighborhoods. There should have been accurate numbers. Now a cap has been set that may be higher then what are now operating. Unfortunately, a rather sloppy job. Sounds decisions cannot be made when new material is pushed at the PC or CC and within minutes one is expected to recognize the consequences. Seems like better governance would prevail if the issue was tabled and the members were obliged at a later date to attend a supervised study session so a complete understanding was achieved then vote. Probably some law prohibiting that sensible idea! The owners had a responsibility to know they were putting a business in a single family dwelling zone, R1. Yet, it seems to be Ok to hurt the neighborhoods but not owners. You heard from good people, over 1200 via our petition, that they did not want STR in their neighborhoods. Those supporting STR’s mostly have a financial gain to be recognized thus their vote is self serving. We, the residents only asked for neighborhoods to be for full time residents. It is regretful that our city finds the comfort and success of tourists and investor a top priority opposed to full time residents.

Disappointed of course, we worked very hard to preserve neighborhoods as intended, but I choose to be gracious In defeat so my comments end here.

Linda Colwell
I'd like to find out why short term rentals aren't held to the same ADA (Americans with Disabilities Act) requirements that our hotels are? If they are serving the public as a business shouldn't each and every home be outfitted accordingly?

I'd also like to address the issue of Megan's Law. If a sexual predator moved into our neighborhood their name and address would be posted on the Megan's Law website. With the transient nature of STRs there is no telling who is coming and going on any given weekend.

When meeting #31 or whatever number we're on is held, I'd like to have these concerns addressed. Just for fun, the attached picture is of our neighborhood. Using information from vacation rental sites I identified 9 known STRs within 469 feet of our house and 11 within 770 feet. I'm sure that number would be higher but I couldn't find which houses on Hilltop are rentals.

- Soren Christensen
  Ridgeview Drive ..... and by Ridgeview Drive I mean I actually live there, not just own a house there.
Hi Sally,

Since the 2nd reading failed to pass last night, there currently are no City regulations for short-term rentals.

The City Council asked for a new short-term rental ordinance to be heard on July 16, 2019. The City Council’s direction was to allow any short-term rental business licenses, submitted by 7/16/19, in the R-1 zone to be converted into short-term rental permits. There were 210 R-1 short-term rental business licenses in April, we are in the process of updating the numbers.

Thanks

Warren.

Warren Frace  
City of Paso Robles  
wfrace@PRCity.com

-----Original Message-----
From: Sally Reynolds  
Sent: Wednesday, June 19, 2019 1:46 PM  
To: Warren Frace <WFrace@prcity.com>  
Subject: STR's

Warren,

I was listening to the city council meeting for 4 1/2 hours when at 11:00 PM KPRL ended their radio coverage. So frustrating.

I read about the vole on Paso Robles News but it is unclear to me"

If a person wanted to apply for a new STR in R1 would it get approved?  
As STR's in current R1 zones, 210 I believe, would they be replaced by new STR's in R1?

Thanks Warren.

Sally
Good afternoon Council Members,

Our family is incredibly disappointed with the vote to allow all STRs in R-1 zones be grandfathered in. Please re-consider this decision.

Please vote to enforce limitations on the amount of STRs allowed in R-1 Zones and the buffering limitation. Buffering limitation should be at least 100 feet. **Require that those in violation of buffering and density limitations be removed within 18 months.**

Attached is a map of current Vacation Rental Conflicts in Paso Robles that I found on the council website. Notice how our home, the red dot, is surrounded by existing STRs in violation of proposed buffering and reasonable density limitations. Please do not let these existing STRs be grandfathered in.

Sincerely,

Sierra Christensen
Ridgeview Drive
Paso Robles, CA 93446
(a resident that actually lives on Ridgeview Drive… we have become out numbered)

On Jun 4, 2019, at 9:25 PM, Sierra Christensen wrote:

Greetings Council Members,

I live on Ridgeview Drive in Paso Robles near Hilltop and Fresno Streets. Our neighborhood has a very high concentration of Short Term Rental businesses (hopefully you have had a chance to review the map). Our family has been impacted negatively by the renters’ behaviors since before 2015. Examples include late night partying near our bedroom window, late night drunken ranting, strip shows in front of street side windows, pets pooping on neighboring property and renters refusing to pick it up because they say “they don’t live here and they don’t have to,” fast driving on residential streets. I know that these may seem trivial but the obnoxious behavior is all around us all of the time. There is no enforcement and no responsibility taken by the owners of the short term rentals. In fact, they are confrontational and annoyed by our family and our neighbors who are residents. We need to see some accountability on the part of the owners and city.

Whichever Ordinance you adopt, do **remove the 3 year “grandfathering” of R-1 STRs in violation of Numeric Limits. Please change the exception back to 18 months.**

I strongly agree with the need for owners of STRs to notify all occupants within 300 ft in R-1 zones and to provide us with their contact information along with the Hotline number.

I support Ordinance C, and I would support Ordinance A IF it states R-1 Non-Hosted Permits Allowed = 100 with 18 month phase out.
Please trash Ordinance B.

Thank you for your time and consideration.

Sincerely,

Sierra Christensen
Paso Robles, CA 93446
Good morning Council Members,

There are currently 9 STRs in the Ridgeview neighborhood alone. Today we will have around 50 renters arriving and beginning their festivities inside our small neighborhood.

Please vote to enforce limitations on the amount of STRs in R-1 zones and enforce a 100 foot buffering limitation. Require all those in violation of the density and buffering limitations be removed within 18 months. No grandfathering existing STRs in R-1 zones.

It is the council’s LACK of action over the past 5 years that allowed so many STRs to surround us. Stop letting the real estate agents and non-resident STR owners to dictate the regulations.

Thank you for your time and consideration. Enjoy your weekend.

Sincerely,

Sierra Christensen
Ridgeview Drive
Paso Robles, CA 93446
Good morning Council Members,

My family and neighboring residents of the Ridgeview Drive and Hilltop neighborhoods were one of the first citizens to bring up the negative effects of STRs in R-1 Zones back in 2014 - 2015. At that time I believe there were 3-4 STRs on the Ridgeview Drive block. Due to the city council’s lack of action there are currently 9 STRs in the Ridgeview neighborhood. The amount has more than doubled due to your inaction. Please do not allow the existing STRs to be "grandfathered." It is the council’s LACK of action that allowed so many STRs to surround us. Stop letting the real estate agents and non-resident STR owners to dictate the regulations.

Please vote to enforce limitations on the amount of STRs in R-1 zones, enforce a 100 foot buffering limitation, and require a 300 ft neighbor notice. Require all those in violation of the density and buffering limitations be removed within 18 months.

Thank you for your time and consideration.

Sincerely,

Sierra Christensen
Ridgeview Drive
Paso Robles, CA 93446
I am all for growth in Paso Robles, real estate appreciation, and real estate owners making money. I don't think Vacation Rentals enhance the quality or life or real estate values in R1 neighborhoods. If anything VRs reduce our privacy, de-evaluate our R1 neighborhoods by creating a commercial atmosphere, adding traffic, and strangers that don't respect what we have built. I'm all for VR in mixed use areas (Vine Street etc.). The argument that it's a business is just a ploy, a realtor working for home in a private office is not creating traffic, parties and outsiders into our neighborhood on a daily basis.

It sounds like City Council has turned back a decision to support R1 and I feel heart broken for our true residential families that have resided in Paso for 15 years or more. My husband and I want a family neighborhood not vacation properties and constant traffic. That's why we don't live near downtown and restaurants. The house next store to us rents 5 rooms out in her house to who knows who. We constantly have cars parked all over are once quiet family cul de sac. We know have neighborhood kids playing more inside or privately in backyards cause of our concerns on who she rents to, traffic and safety concerns of riding bikes, playing basketball in the our cul de sac. She bought a house in a neighborhood that she can not afford without renting out rooms which is destroying ours. So how does this help our property value it doesn't. It's so wrong. It's so disheartening and even more so that our city council is abandoning us.

Let's please protect the safety and value of our R1 neighborhoods.

VR rentals great - in an R1 neighborhood NO WAY!

Neighborhoods are for Neighbors, Not Vacation Rentals

Jessica O'Farrell
Susannah Court
Paso Robles
Dear City Council Members,

Please see attached letter containing information on STRs in Paso Robles for the upcoming City Council meeting. Please feel free to get in touch if you have any questions.

Best Regards,
Ben Hawkinson and Andrea Laubscher
9-July-2019

RE: Short Term Rental Ordinance

Dear Mr. Mayor and Members of the City Council,

Firstly, we want to thank you for careful consideration of this matter and your persistence in driving towards this first step toward a long-term solution. We specifically appreciate the time you have each taken over the past weeks and months to meet with the public, so that we could engage in dialogue about these important issues.

We urge you to adopt the ordinance proposed after discussion at the June 18 council meeting, provided it contains these key points, which were added or clarified during the discussion:

- Fair treatment of existing STR owners in Paso Robles by providing grandfathering of current STRs, while also providing a path for all residents to participate in our tourism economy via the resident-hosted option (30 days per year non-hosted for homeshares).
- Elimination of neighbor vs. neighbor contention for access to full-time non-hosted STR opportunities by the complete elimination of buffer zones.
- Reduce neighborhood impact and curtail large "party house" situations by setting conservative STR occupancy limits (guests/room).
- Provide a means for affected neighbors to report concerns and violations via the hotline, and encourage all parties (both neighbors and operators) to utilize the hotline for every concern, every time – including follow-up.
- Create a permitting system that gathers the data that Paso Robles will require to start planning for a future where STRs may have a meaningful and contained impact on our community – particularly its R-1 neighborhoods.

The area of greatest controversy in this discussion has centered on the use of homes in R-1 zones as STR’s, and we would anticipate that this will continue to be at the core of subsequent amendments. In addition to providing everyone with a reliable and transparent data baseline, the next year can serve as “cooling off period,” while we evaluate the actual impact of STRs in this zone, and think about how we can best balance the need for residential housing in Paso Robles with the clear benefits that the tourism economy brings to its residents.

Paso Robles has many more STR challenges ahead: from an increasing resident population who need homes in our community, from large corporate investors who are beginning to acquire properties for STR use (Marriott!), and from an increasing tourist population with a preference for STR accommodations over traditional hotels. It is critical that the Council take action now to implement the proposed ordinance, and in doing so to put a stake in the ground that prioritizes the individuals and small businesses that call Paso Robles home.

Thank you and best regards,

Ben Hawkinson and Andrea Laubscher
Hi Katie,

Thanks so much for your quick reply. That helps a lot. It appears that I chose the correct category since our guest unit is on the same property where we live and we are home during the times it is rented. I am relieved I chose correctly!

I will pay attention to any changes that emerge from the upcoming meetings and ensure we abide by all rules.

Thanks again,
Karen Bishop
Wine Country Retreat

--------Original message--------
From: Katie Banister <KBanister@prcity.com>
Date: 7/10/19 12:56 PM (GMT-08:00)
To: Karen Bishop, Planning <planning@prcity.com>
Subject: RE: Vacation Rental Question

Karen,

The draft resolution the City Council will consider on Tuesday, July 16 includes these two definitions:

“Homeshare” means a Short-Term Rental structure in which the Owner both resides and remains during the time a Renter is occupying the Short-Term Rental unit. This can include an accessory dwelling unit (ADU) located on the same parcel as with the primary residence occupied by the owner.

“Non-Hosted Accommodation” means a Short-Term Rental structure that is not occupied by either the Owner or an Authorized Agent while it is being occupied by a Renter. A Non-Hosted Accommodation permit may operate as a Homeshare, but not the converse.

Please indicate on your business license application which of these definitions you feel describes your business.

The City Council has yet to iron out all the details, but it seems likely there will be different rules and requirements for each type of vacation rental. There is a proposed a cap on the total number of non-hosted accommodations and there might be a buffering requirement between non-hosted accommodations. The permit fee for a non-hosted accommodation is proposed to be greater than that for a homeshare. The staff report the City Council will consider will be
posted on the City’s website [here](https://www.prcity.com/agendacenter) by this coming Friday, July 12.

Sincerely,
Katie

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**Katie Banister**
Assistant Planner
City of Paso Robles
805-237-3970
kbanister@PRCity.com

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**From:** Karen Bishop &lt;karen_bishop@ymail.com&gt;  
**Sent:** Wednesday, July 10, 2019 8:19 AM  
**To:** Planning &lt;planning@prcity.com&gt;  
**Subject:** Vacation Rental Question

Hi there,

My husband and I own a small vacation rental at 3rd Street (Wine Country Retreat) in Paso. It is our in-law unit on the bottom floor (like a walk-out basement) of our three-story home. Our home is a single family home with shared utilities and we bought it as it is.
The last time I renewed our business license there were options for the type of rental it was that I did not recognize. Since it is a part of our home and since we live here when guests are staying I chose the "homesharing" option rather than the non-hosted option. I just want to be sure I chose the right category and to ensure we are still allowed to legally operate our rental with the new changes. From everything I am reading, it appears that most of the concerns involve non-hosted rentals where larger groups rent a whole house but we certainly want to honor whatever regulations exist or are coming.

Let me know how any of the new changes will impact us and whether I chose the correct category of rental for our license when you can.

Thanks so much!

Karen Bishop
Dear City Clerk,

I was told that my analysis would be shared with City Council prior to the second read of the ordinance. I also wanted to make sure that my analysis is also included (printed) with the City Council Agenda that is to be published prior to the July 16th meeting for all to see.

Please see attached for the latest revision that included an introduction and charts.

Thank you,

Edgar Chen

CEO
Select Publishing Group
(an MPS Multimedia Company)

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From: Tom Frutchey [mailto:TFrutchey@prcity.com]
Sent: Tuesday, June 25, 2019 4:49 PM
To: Edgar Chen
Subject: FW: Paso Robles Active Short Term Rental Analysis

Mr. Chen—

Thank you for your analysis. We will review and share it with the City Council prior to the second read of the ordinance, on July 18.

As you may know, the ordinance calls for a review after the end of year one. An update of your in-depth review may be a very effective way to demonstrate to the Council and the community the impact of the new ordinance.

Take good care,

--Tom
Dear Tom,

I am very grateful for the City Council changing course of the STR Ordinance. The ban of STRs in the R-1s without grandfathering was wrong for the City of Paso Robles although the Ordinance draft was not perfect, I am honored of having the Mayor, Councilman Strong and Councilwoman Garcia representing Paso Robles. I also Thank You for your detailed work in the Ordinance!

Under the most challenging circumstances I saw how the City Council had to make the difficult decision that night...but it was the right decision. As a proud resident of Paso Robles, I once again have confidence and commitment in investing in Paso Robles. Thank you for the note on the recent reduction of permit and impact fees. I am excited to continue to stay involved with Paso Robles. My commitment to the City of Paso Robles is best shown with the many days I just spent to analyze “Active” STRs in Paso Robles. Please see attached for my complete analysis.

As quoted from the Paso Robles Press, “According to City staff, as of April 2019, they’d issued 210 business licenses to STRs in R-1 zones and another 139 in all other zones. And of those 349, approximately 200 were paying the required transient occupancy tax. The City did not have a hard number of active non-hosted vacation rentals in R-1 zones. Some in the crowd felt it was less 100, while others thought it was closer to 175.”

I have analyzed every STR listing on Airbnb and VRBO and after eliminating duplicates and STRs located outside of city limits, 201 STR rentals were found – confirming that “approximately 200 were active”. Of the 201 Active rentals, I found 26 Homeshares, 92 Other Zone/Non-R1 NHAs, and 83 R-1 NHAs. So there you have it...a verified hard number of R-1 NHAs – only 83 actives (some of which will likely by Homeshares when permitting starts). This shows that the goal of 75 R-1 NHA permits can be realistically achieved by term end.

I am also happy to work with the city with my experience in market data research. Let me know if there’s a need and I will be happy to volunteer my time.

Sincerely,

Edgar Chen
Resident & Homeowner of Paso Robles
PHA: [Redacted]
“Truth is incontrovertible. Panic may resent it. Ignorance may deride it. Malice may distort it. But there it is.”

~ Winston Churchill

Introduction by Joel Bergvall
OVERVIEW

There has been a lot of heated debate over short term rentals in Paso Robles.

When emotions fly high, facts get lost in the shuffle. No one want’s to read (let alone understand!) a statistical analysis, especially when it doesn’t suit their personal opinion or support the argument they are trying to make.

If you were looking to paint a picture of the horrors of short term rentals taking over our town, you would obviously be helped by having the number of active short term rentals be as high as possible. If you were looking to protect your interests in active short term rentals, you would likewise be interested in having that number be as low as possible.

Well, here’s the beautiful thing about data: It doesn’t lie.

Thanks to the efforts of Edgar Chen we now have a first report on how many short term rentals are actually active in Paso Robles — and the facts may surprise you.

While I encourage everyone to read and understand the report fully, I will try to explain all the essentials in this letter.

SETTING THE STAGE

Here is what we know:

*The city has issued 353 business licenses for short term rentals.*

Wow. That sounds like a lot...

This number has been the source of much anger, resentment and fear from concerned locals, especially in connection to the residential R-1 zones, where locals feel as if their entire town is being turned into tourist accommodation.

For a town our size, 353 short term rentals seems absurd — and that’s because it is.

This report shows that number to be false, misleading or, at best, out of context.

Let’s break this down...
THE DETAILS

First, let’s look at how many of these are active, meaning they actually rent short term.

*Active Short Term Rentals: 201.*

Ok, that’s more reasonable. But how many of them are “Homeshares,” meaning just someone renting a room in their house or a granny-flat in the back?

*Homeshares: 27.*

These are not impacted by any proposed caps, so let’s take them off the table.

That still leaves 175 active short term rentals, surely they cannot all be in R-1 zones?

Of course not.

*Active Short Term Rentals outside of R-1: 91.*

This leaves us with:

*Active short term rentals in R-1 zones: 83.*

That’s a lot less than the 353 licenses issued, and far less than the outrageous numbers sometimes claimed by those opposed to Short Term Rentals.

THE ANOMALY

*Why are there so many licenses issued when so few are active?*

*Why is this statistic even stronger in the R-1 zones?*

In the R-1 zones, there are 107 non-active licenses, with only 83 active.

Why?

Well, there are two key explanations for this:
1) Getting a license is cheap and easy. It’s $50 and you can do it online. This has led a lot of people to get one “just in case.” There has also been a recent rush to do this before the city passes new legislation.

2) Some homeowners have obtained licenses with no intent to ever use them. This doesn’t seem to make any sense, but if you are opposed to short term rentals this is a very cunning move for two reasons:
   i) It enables you to effectively “block” your neighbors from renting their homes out, should any of the proposed density limits come into effect. If you have a license, your neighbor can’t get one because they are too close to another short term rental.
   ii) It helps inflate the number of total licenses, which helps sell the story that Short Term Rentals are “exploding” and “out of control.”

Thankfully, the data can help us see through unsubstantiated arguments like these, and help all of us make more informed and balanced decisions.

CONCLUSION

There will always be some licenses, or future permits, that are inactive, but this report very clearly demonstrates that the current number of STR licenses is artificially inflated.

Once the city passes some costly and cumbersome requirements on STRs, these numbers should equalize over time.

By passing sensible regulation and monitoring the activity over the next few years, the city will have real and actionable data that will show the truth of short term rentals in Paso Robles, and that will help all of us make solid decisions.

Then we can all go back to simply being good neighbors again.

That sounds nice.
Active vs. Non-Active STR Business Licenses in Paso Robles*

<table>
<thead>
<tr>
<th>Units</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered STR Licenses</td>
<td>353</td>
</tr>
<tr>
<td>Non-Active STR Licenses</td>
<td>152</td>
</tr>
<tr>
<td>Active STR Licenses**</td>
<td>201</td>
</tr>
</tbody>
</table>

*Source: Tom Frutchey, City Manager. At the June 18th, 2019 Council Meeting, Mr. Frutchey stated "about 200 are active". These are business licenses that have shown Transit Occupancy Tax (TOT) payment activity in the past year.

**Source: Airbnb and VRBO. Obtaining a data sample required a search for available listings to book in November 2019 (5 months out) to maximize total available listings. Analysis was performed for every listing to eliminate duplicates and those outside city limits. The Final number of 201 Active STRs discovered coincides with Tom Frutchey's statement of “200 are active.” This search analysis was performed on 6/19/2019
### Active Homeshare and NHA (Non-Hosted Accommodation) STR Business Licenses*

<table>
<thead>
<tr>
<th></th>
<th>Units</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeshares</td>
<td>27</td>
<td>13%</td>
</tr>
<tr>
<td>R-1 NHAs</td>
<td>83</td>
<td>41%</td>
</tr>
<tr>
<td>Other Zones/Non R-1 NHAs</td>
<td>91</td>
<td>46%</td>
</tr>
<tr>
<td>Total Active STR Licenses</td>
<td>201</td>
<td>100%</td>
</tr>
</tbody>
</table>

#### Active STRs by Zone

<table>
<thead>
<tr>
<th>Zone</th>
<th>Record Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-1</td>
<td>103: 51%</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>98: 49%</td>
</tr>
</tbody>
</table>
STR Analysis

*Source: Airbnb, VRBO, Google Maps and Paso Robles Zoning Map. Analysis of each listing detail determined the type of STR. Details such as “guest room, guest house, host/owner lives on the property, etc” determined a listing was a Homeshare. Details in descriptions, photo comparisons on Google Maps along with Airbnb/VRBO’s location site indicators – then locating the listing on the Paso Robles Zoning Map determined which listings stood in R-1 NHAs or Other Zone NHAs. In the event it was too close to tell, I erred conservatively and included those in the total active R-1 NHAs. The data analysis was performed to the best of my knowledge with an accuracy of +/- 10%. Each listing analyzed has either an Airbnb or VRBO Listing Number for verification. Listing details follow Commentary & Analysis. Some details are generalized privacy.

**Active R-1 Licenses vs. Non-Active R-1 Licenses**

<table>
<thead>
<tr>
<th>Units</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total R-1 Licenses*</td>
<td>210 100%</td>
</tr>
<tr>
<td>Active Homeshares in R-1**</td>
<td>20 10%</td>
</tr>
<tr>
<td>Active R-1 NHA Licenses</td>
<td>83 40%</td>
</tr>
<tr>
<td>Non-Active R-1 Licenses</td>
<td>107 51%</td>
</tr>
</tbody>
</table>
210 Short Term Rentals in R1

- 20 Active Homeshares
- 83 Active NHA
- 107 Inactive

*Source: City of Paso Robles, June 18th, 2019 Council Meeting. As of June 18th, 2019 these were the total number of STR business licenses located in the R-1 zone.

**Source: Airbnb, VRBO. Out of the 27 Homeshares found, 20 units were determined to be located in the R-1 Zone.

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Commentary & Analysis

Homeshare STRs

To avoid duplicates, homeshare hosts who had multiple listings in the same home (multiple rooms available) were counted as a single active license. Since Homeshare permits would be exempt from caps (maximum number of STRs allowed), the Homeshare unit numbers will increase when the time comes to apply for permits. These are STR owners who may live on the property (or same APN) and never indicated such details in their listing description likely due to privacy, safety or other concerns.

Conclusion: The percentage of Homeshares will vastly increase from the analysis, thereby decreasing the number of R-1 NHAs and Other Zone NHAs. The greatest impact of reduction will be with R-1 NHAs since over 75% of the active Homeshares were found in the R-1 Zones. When the time comes for permits under a new STR Ordinance, the percentage of Homeshare permits vs. NHAs will increase overall.
R-1 NHA Non-Active STRs Analysis

Over 50% of the R-1 STR Licenses are found to be Non-Active. 107 STR Licenses out a total of 210 R-1 licenses were Non Active. These “Non-Actives” would include both Homeshares and R-1 NHAs, thus reducing the actual number of Non-Active R-1 NHAs. This is a large total number of Non-Actives and here are four key factors for this:

1. Low Barrier to Entry

It only costs $50 to obtain an STR business license with the City of Paso Robles. Whether they be Homeshare or NHAs, many of them may have planned to start an STR, but never get around operating one. The low cost per year keeps them registered as a placeholder in the event they act on it.

2. Rush for STR Licenses before a New STR Ordinance is approved

Ever since the STR Task Force Meetings in February 2019, there has been a large number of owners who have applied for STR licenses. Due to the unknowns of what would become of the final New STR Ordinance, this was an effort to be grandfathered in.

3. R-1 NHA STR Turnover

There is constant turnover with STRs turning a formerly active STR into a Non Active STR. There are owners possibly selling their homes or moving in to live full time. These Non-Actives would not be applying for permits.

4. STR Licenses obtained by Homeowners as a tactic to “block” future STRs

There were discussions in the Task Force Meetings with regards to density and buffers when a cap (maximum number of STRs) would be enforced. The result of such discussions led to conclusions that any STRs in conflict within the buffers (too close together) would result to a lottery by the end of the Ordinance term, thus eliminating the extra STRs in conflict. A number of the STR licenses obtained since February are believed to be owned by homeowners (wanting a ban in the R-1) looking to take advantage
of this criteria in an effort to block future STRs and also eliminate current (grandfathered) STRs. These are also among the Non-Actives.

**Conclusion:** While there will always be a percentage of licenses that are Non-Active, the current ratio at over 50% is artificially high due to the above mentioned factors. This also shows the total number of STR licenses to be artificially high as a whole. Thus, a much smaller number than anticipated of STR licenses would actually move forward in obtaining a much costlier permit with strict operating rules under the New STR Ordinance.

**R-1 NHA STR Permits Analysis**

Currently there are a total of 83 Active R-1 NHA STRs. Due to some of these being Homeshares, the actual number of R-1 NHA Actives will be LESS once the permitting under the New Ordinance goes in effect. There’s a lot of time, effort and money that’s needed to get an STR started and be active, especially with a NHA. There are also stricter rules and fines/penalties under the new Ordinance. So there are several factors that will impact the “actual number” of STR owners who would actually apply for permits or even get permits approved. These factors include:

1. **Higher Barrier to Entry**

   Under the new permit criteria, it would cost $650 for a 3 year permit and $400-600 for site/floor plans required for submission materials. An applicant would need to spend over $1000 before they are approved for a permit. This is much higher than the previous $50/year. The permit process is also much more extensive with much more documentation needed than required for STR business license.

2. **High Cost of Starting a NHA STR**

   Starting a NHA STR could cost around $10,000-20,000 for furniture, decorations, and costly renovation upgrades. It takes at least several months to setup and a long time before you can be up and running with a STR listing. High cost and high permit fees will dramatically impact that number of R-1 NHA permit applicants.

3. **Stricter Regulation, High Fines/Penalties & Building Code Safety Requirements**

   There are stricter regulations along with high fines and penalties. The new Ordinance calls for nuisance violation fines of $500 for the first offense; $1000 for the second offense and $2000 for third offense. Besides addressing neighborhood concerns, these factors will have an impact on the number of permit applicants by “getting rid of the bad actors”. All STRs are also required to pass local City Building codes and have existing legal building permits to obtain STR permit approval.

**Conclusion:** These are additional factors that show that the “actual number” of STR owners that will move forward to apply for permits will be less than expected. On June 18th, 2019 the City Council unanimously approved the plan to grandfather 210 existing R-1 licenses (either being Homeshares or NHAs) with a cap of 75 permits by term end. With a total of 83 Active R-1 NHAs and other impact factors mentioned, the goal of 75 R-1 NHA permits can realistically be achieved by term end.
### Active STRs Listing Details

<table>
<thead>
<tr>
<th>Type/Zone</th>
<th>Listing #</th>
<th>Source</th>
<th>Short Term Rental Description</th>
<th>Location (Approx)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeshare</td>
<td>965863</td>
<td>Airbnb</td>
<td>Downtown Paso Wine Country...</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>2677731</td>
<td>Airbnb</td>
<td>Shadow Canyon Casita</td>
<td>Other Zone (Non R-1)</td>
</tr>
<tr>
<td>Homeshare</td>
<td>4878898</td>
<td>Airbnb</td>
<td>UNWIND SUITE</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>5251106</td>
<td>Airbnb</td>
<td>Porch Light Lodge</td>
<td>R-1 Zone</td>
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<tr>
<td>Homeshare</td>
<td>5470229</td>
<td>Airbnb</td>
<td>Private Casita - centrally located</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>5880738</td>
<td>Airbnb</td>
<td>Paso Robles Wine Country Home</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>6169282</td>
<td>Airbnb</td>
<td>The Paso Lodge Suite</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>6348497</td>
<td>Airbnb</td>
<td>Dazzling Duplex</td>
<td>R-1 Zone</td>
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<td>Homeshare</td>
<td>7159481</td>
<td>Airbnb</td>
<td>Heart of WINE COUNTRY close to...</td>
<td>R-1 Zone</td>
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<tr>
<td>Homeshare</td>
<td>9718361</td>
<td>Airbnb</td>
<td>Romantic Casita-walking distance...</td>
<td>Other Zone (Non R-1)</td>
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<tr>
<td>Homeshare</td>
<td>13155935</td>
<td>Airbnb</td>
<td>Little Locust Lodge (Studio Apt)</td>
<td>Other Zone (Non R-1)</td>
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<td>Homeshare</td>
<td>15857676</td>
<td>Airbnb</td>
<td>#1of3 comfort queen bed in nice...</td>
<td>R-1 Zone</td>
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<tr>
<td>Homeshare</td>
<td>16162543</td>
<td>Airbnb</td>
<td>Spacious Studio With Private...</td>
<td>Other Zone (Non R-1)</td>
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<tr>
<td>Homeshare</td>
<td>16679440</td>
<td>Airbnb</td>
<td>River Oaks Private Rooms 2BDR.</td>
<td>R-1 Zone</td>
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<tr>
<td>Homeshare</td>
<td>16844300</td>
<td>Airbnb</td>
<td>Paso’s Victorian ~ Peace Rose Room</td>
<td>Other Zone (Non R-1)</td>
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<td>Homeshare</td>
<td>18289209</td>
<td>Airbnb</td>
<td>Linny’s Place</td>
<td>R-1 Zone</td>
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<td>Homeshare</td>
<td>18344297</td>
<td>Airbnb</td>
<td>Oak Tree Bungalow- Detached...</td>
<td>R-1 Zone</td>
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<td>Homeshare</td>
<td>19876936</td>
<td>Airbnb</td>
<td>Country Hills Suite</td>
<td>R-1 Zone</td>
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<td>Homeshare</td>
<td>20309906</td>
<td>Airbnb</td>
<td>Luxury studio in Paso Robles Wine...</td>
<td>R-1 Zone</td>
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<td>Homeshare</td>
<td>20675786</td>
<td>Airbnb</td>
<td>Boho Chic Downtown Suite</td>
<td>Other Zone (Non R-1)</td>
</tr>
<tr>
<td>Homeshare</td>
<td>20713637</td>
<td>Airbnb</td>
<td>French room, I also have 2 other...</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>21580000</td>
<td>Airbnb</td>
<td>The Right Room in wine country</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>23456767</td>
<td>Airbnb</td>
<td>Pretty Paso Private Suite: Own...</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>25864193</td>
<td>Airbnb</td>
<td>Upstairs Room w/Private Bath...</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>26198020</td>
<td>Airbnb</td>
<td>Filbert Hideaway</td>
<td>R-1 Zone</td>
</tr>
<tr>
<td>Homeshare</td>
<td>28698614</td>
<td>Airbnb</td>
<td>The Vine Street Lounge w hot-tub...</td>
<td>Other Zone (Non R-1)</td>
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<tr>
<td>Homeshare</td>
<td>1076935</td>
<td>VRBO</td>
<td>Bella Vista Suite - 2 Room Suite</td>
<td>R-1 Zone</td>
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<td>R-1</td>
<td>1445796</td>
<td>Airbnb</td>
<td>Oaktop Terrace</td>
<td>Hilltop Dr/Fresno</td>
</tr>
<tr>
<td>R-1</td>
<td>1499431</td>
<td>Airbnb</td>
<td>Sunset Summit Comfort &amp; Wine</td>
<td>Kenton Ct/Brahma</td>
</tr>
<tr>
<td>R-1</td>
<td>1499540</td>
<td>Airbnb</td>
<td>Serendipity - Views and Downtown!</td>
<td>Hilltop Dr</td>
</tr>
<tr>
<td>Type/Zone</td>
<td>Listing #</td>
<td>Source</td>
<td>Short Term Rental Description</td>
<td>Location (Approx)</td>
</tr>
<tr>
<td>----------</td>
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<td>-------------------------------</td>
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</tr>
<tr>
<td>R-1</td>
<td>1619382</td>
<td>Airbnb</td>
<td>Bungalow 64 -Charming &amp; Fun in...</td>
<td>Olive</td>
</tr>
<tr>
<td>R-1</td>
<td>1754395</td>
<td>Airbnb</td>
<td>Quercus Acorn Cottage - Best Porch!</td>
<td>19th St</td>
</tr>
<tr>
<td>R-1</td>
<td>1755185</td>
<td>Airbnb</td>
<td>Paso Highlands Above Downtown...</td>
<td>Highland Park Dr</td>
</tr>
<tr>
<td>R-1</td>
<td>2837544</td>
<td>Airbnb</td>
<td>3 Kings on Pacific Walk to Downtown</td>
<td>Pacific Ave/Olive</td>
</tr>
<tr>
<td>R-1</td>
<td>4475727</td>
<td>Airbnb</td>
<td>Bungalow on Paso’s Westside 3bd...</td>
<td>Fresno/Hilltop</td>
</tr>
<tr>
<td>R-1</td>
<td>4754123</td>
<td>Airbnb</td>
<td>Terrace Hill Vineyards</td>
<td>Terrace Hill</td>
</tr>
<tr>
<td>R-1</td>
<td>6436660</td>
<td>Airbnb</td>
<td>The Paso Lodge: Wine, Dine, Unwind</td>
<td>Walnut/N. Trigo</td>
</tr>
<tr>
<td>R-1</td>
<td>6662107</td>
<td>Airbnb</td>
<td>Touch of Narnia Downtown Paso...</td>
<td>Olive St</td>
</tr>
<tr>
<td>R-1</td>
<td>6885130</td>
<td>Airbnb</td>
<td>Western Woodland - Privacy in Paso</td>
<td>17th/Locust</td>
</tr>
<tr>
<td>R-1</td>
<td>7326839</td>
<td>Airbnb</td>
<td>Merry Hill - Eat Drink &amp; be Merry!</td>
<td>Merry Hill Rd</td>
</tr>
<tr>
<td>R-1</td>
<td>7339469</td>
<td>Airbnb</td>
<td>Cozy Casa Blanca -Oak Studded...</td>
<td>Fairview/Vine</td>
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<tr>
<td>R-1</td>
<td>7339584</td>
<td>Airbnb</td>
<td>Greenwood - Beautiful Oak Hillside</td>
<td>15th/Terrace Dr</td>
</tr>
<tr>
<td>R-1</td>
<td>7340364</td>
<td>Airbnb</td>
<td>Serenity in Paso Wine Country!</td>
<td>Vista Cerro Dr.</td>
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<tr>
<td>R-1</td>
<td>11323087</td>
<td>Airbnb</td>
<td>Cornerstone Cottage</td>
<td>17th/Locust</td>
</tr>
<tr>
<td>R-1</td>
<td>11730131</td>
<td>Airbnb</td>
<td>Central Paso Robles Pleaser</td>
<td>Montebello Oaks</td>
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<tr>
<td>R-1</td>
<td>12209994</td>
<td>Airbnb</td>
<td>Casa Blanca</td>
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<td>13686274</td>
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<td>Fresno/Hilltop</td>
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<tr>
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<td>14296889</td>
<td>Airbnb</td>
<td>Treetop Cottage</td>
<td>W 21st/Olive St</td>
</tr>
<tr>
<td>R-1</td>
<td>14297673</td>
<td>Airbnb</td>
<td>Treetop Lodge</td>
<td>W 21st/Olive St</td>
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<tr>
<td>R-1</td>
<td>15129535</td>
<td>Airbnb</td>
<td>2 BDR/2 BATH BEST LOCATION...</td>
<td>12th/Fresno</td>
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<tr>
<td>R-1</td>
<td>15661995</td>
<td>Airbnb</td>
<td>Bella Casa 3 beautiful bedrooms...</td>
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<td>21293913</td>
<td>Airbnb</td>
<td>CHATEAU PASO - 3 bed/3 bath...</td>
<td>15th/Olive</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>21303640</td>
<td>Airbnb</td>
<td>Dine Outside in Sunny Downtown...</td>
<td>21st/Oak</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>21767792</td>
<td>Airbnb</td>
<td>Rosé Getaway- Two Bedroom...</td>
<td>19th/Vine</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>22928444</td>
<td>Airbnb</td>
<td>HOME SQUARED-Westside Crafts...</td>
<td>15th/Vine</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>22979520</td>
<td>Airbnb</td>
<td>Charming, Boutique-Style Duplex...</td>
<td>Pine St</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>23412040</td>
<td>Airbnb</td>
<td>13th STREET RETREAT-3 Blocks to...</td>
<td>14th/Vine</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>23520202</td>
<td>Airbnb</td>
<td>HISTORICAL STOWELL HOUSE</td>
<td>Vine/9th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>23997170</td>
<td>Airbnb</td>
<td>WALK TO MID STATE FAIR!! Remod...</td>
<td>18th/Pine St</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>24852770</td>
<td>Airbnb</td>
<td>Two beautiful houses; WALK TO...</td>
<td>Park St</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>24992720</td>
<td>Airbnb</td>
<td>Heaton House in downtown...</td>
<td>Spring/9th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>25112240</td>
<td>Airbnb</td>
<td>Vine Street Getaway</td>
<td>Vine/22nd</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>25263354</td>
<td>Airbnb</td>
<td>The Blue House on Chestnut</td>
<td>Chestnut/14th St</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>25981640</td>
<td>Airbnb</td>
<td>Iconic Downtown Home</td>
<td>Vine/16th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>27135934</td>
<td>Airbnb</td>
<td>Charming Paso Park Suite with...</td>
<td>Park St/12th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>27165097</td>
<td>Airbnb</td>
<td>Paso Park Suite 203</td>
<td>Park/13th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>27166295</td>
<td>Airbnb</td>
<td>Sophisticated Paso Park Suite Full...</td>
<td>Park/13th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>27191489</td>
<td>Airbnb</td>
<td>Walk DOWNTOWN! High-end...</td>
<td>Olive/17th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>29212205</td>
<td>Airbnb</td>
<td>THE ROOST - 1 bed/1 bath Westside...</td>
<td>Vine/15th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>29263322</td>
<td>Airbnb</td>
<td>Cottage Park</td>
<td>Park/18th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>29754468</td>
<td>Airbnb</td>
<td>Downtown Vacation Cottage - 200...</td>
<td>Vine/12th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>29784526</td>
<td>Airbnb</td>
<td>Sweet Spot on Pine</td>
<td>Pine/16th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>30249578</td>
<td>Airbnb</td>
<td>On The Vine Downtown Paso</td>
<td>Vine St</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>31709380</td>
<td>Airbnb</td>
<td>The Paso Oaks House - Downtown</td>
<td>18th/Spring</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>33246441</td>
<td>Airbnb</td>
<td>Corner Gem</td>
<td>3rd St</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>33486004</td>
<td>Airbnb</td>
<td>Historic Craftsman Home walk...</td>
<td>Vine/3rd</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>34574507</td>
<td>Airbnb</td>
<td>Classic downtown craftsman</td>
<td>Vine St/5th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>34648365</td>
<td>Airbnb</td>
<td>The Nuthouse</td>
<td>13th/Olive</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>34780406</td>
<td>Airbnb</td>
<td>5th Street Cottage</td>
<td>5th/Vine</td>
</tr>
<tr>
<td>Type/Zone</td>
<td>Listing #</td>
<td>Source</td>
<td>Short Term Rental Description</td>
<td>Location (Approx)</td>
</tr>
<tr>
<td>-----------------</td>
<td>------------</td>
<td>--------</td>
<td>-----------------------------------------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>34781840</td>
<td>Airbnb</td>
<td>Downtown private compound !!</td>
<td>5th st</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>34938255</td>
<td>Airbnb</td>
<td>VinoVista</td>
<td>Vine/22nd</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>35193852</td>
<td>Airbnb</td>
<td>Close to Downtown! Remodeled...</td>
<td>Olive/17th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>35583347</td>
<td>Airbnb</td>
<td>WESTSIDE SPANISH BUNGALOW...</td>
<td>Chestnut St/13th st</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>35653679</td>
<td>Airbnb</td>
<td>Downtown Weekender</td>
<td>Pine St</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>560892</td>
<td>VRBO</td>
<td>walk to dinner downtown and...</td>
<td>17th/Vine</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>677927</td>
<td>VRBO</td>
<td>Renovated Farmhouse 4 Blocks...</td>
<td>Pine/17th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>740771</td>
<td>VRBO</td>
<td>Delightful Retreat In Wine Country...</td>
<td>Pine St/22nd</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>763859</td>
<td>VRBO</td>
<td>Historic Vine Street Location Just...</td>
<td>Vine St</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>769038</td>
<td>VRBO</td>
<td>Charm &amp; Luxury, Steps Away from...</td>
<td>13th/Olive</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>820368</td>
<td>VRBO</td>
<td>New Lower Summer Rates!! ...</td>
<td>14th St &amp; Park</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>884151</td>
<td>VRBO</td>
<td>Hurry! grab your great location &amp;...</td>
<td>17th/Pine</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>1443658</td>
<td>VRBO</td>
<td>Walk Everywhere! Updated 3BR...</td>
<td>Vine/5th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>1458264</td>
<td>VRBO</td>
<td>Charming Paso Robles Retreat!...</td>
<td>Park/17th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>1477446</td>
<td>VRBO</td>
<td>Historic cottage amidst world class...</td>
<td>Vine St/12th</td>
</tr>
<tr>
<td>Other (Non R-1)</td>
<td>4579228</td>
<td>VRBO</td>
<td>Charming Wine Country Home-...</td>
<td>Oak/6th ST</td>
</tr>
</tbody>
</table>

*Charts & visuals provided by Carolyn Dismuke*
Attachment 2
Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

ORDINANCE NO. XXXX N.S.


(City of Paso Robles - Short-Term Rental Ordinance)

WHEREAS, the growing popularity of “home-sharing” and other short-term vacation rentals, through the use of websites such as Airbnb, VRBO, and Homeaway, allow individual homeowners, landlords, and tenants to list homes, apartments, and rooms for rent at the price and duration of their choosing; and

WHEREAS, the City Council finds that unregulated “home-sharing” and use of existing housing as short-term rentals can escalate the demand for City services and create adverse impacts in residential zones by introducing commercial activity in neighborhoods, adversely affecting the available housing stock in the City, and increasing adverse impacts such as noise, unpermitted special events, and traffic and parking congestion in residential areas; and

WHEREAS, in 2016 the City conducted several community workshops attended by operators of short-term rentals and concerned neighbors; and

WHEREAS, a Short-Term Rental Task Force met eight times to review issues related to short-term vacation rentals and explore potential policies; and

WHEREAS, there was a consensus that there should be a reasonable balance between the regulation of short-term rental operations, which pay transient occupancy tax (“TOT”) to the City, and the recognized need to protect the character of residential neighborhoods; and

WHEREAS, the Short-Term Rental Task Force submitted an outline of items to be addressed in a short-term rental ordinance; and

WHEREAS, the proposed ordinance is beneficial to the public health, safety and general welfare of the community as it establishes performance standards to ensure the compatibility between short-term vacation rentals and the residential character of neighborhoods in which they may be located;

WHEREAS, on October 10, 2017 the Planning Commission held a public hearing to consider the proposed Short-Term Rental Ordinance and continued the hearing to October 24, 2017 with direction to staff to further analyze the section of the ordinance prohibiting transfers of permits and the 3-year term;

WHEREAS, on October 24, 2017 the Planning Commission reconvened the public hearing to consider a recommendation the City Council on the proposed Short-Term Rental Ordinance; and

WHEREAS, on November 7, 2017 the City Council held a duly noticed public hearing to consider a recommendation from the Planning Commission and heard public testimony on the proposed Short-Term Rental Ordinance; and
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Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

WHEREAS, the City Council deferred taking action on the proposed ordinance in November 2017; and

WHEREAS, between November 2016 and February 2019, the number of business licenses issued by the City for short-term rentals has increased from 167 to 323; and

WHEREAS, due to the significant increase in the number of business licenses issued to short-term rentals and additional community concerns regarding the impacts of short-term rentals upon their neighborhoods, the City Council held a duly noticed public hearing on February 5, 2019 to consider a proposed Short-Term Rental Ordinance urgency ordinance;

WHEREAS, due to a voting conflict, on February 19, 2019 the City Council rescinded adoption of the Short-Term Rental Ordinance urgency ordinance and referred the draft ordinance back to the Short-Term Rental Task Force for additional review and public input; and

WHEREAS, the Short-Term Rental Task Force held eight public meetings from February to April 2019 and forwarded a recommendation to the City Manager regarding changes to the Short-Term Rental Ordinance; and

WHEREAS, the Short-Term Rental Task Force’s recommendations have been reviewed by City staff and the City Attorney and incorporated into the following draft Short-Term Rental Ordinance.

WHEREAS, the Planning Commission held a public hearing to consider the proposed Short-Term Rental Ordinance on April 23, 2019 and voted 4-0 to continue the hearing to May 14, 2019 with direction to staff to further analyze various sections of the ordinance; and

WHEREAS, the Planning Commission reconvened a continued public hearing to consider the proposed Short-Term Rental Ordinance on May 14, 2019 and voted 4-0 to continue the hearing to May 15, 2019 to allow Commissioner Davis time to prepare; and

WHEREAS, the Planning Commission held a public hearing to consider the proposed Short-Term Rental Ordinance on May 15, 2019, where they consider a staff report and public comments prior to recommending the City Council adopt a different version of the Short-Term Rental Ordinance,

WHEREAS, on June 5, 2019 the City Council held a duly noticed public hearing at the adjourned June 4, 2019 regular City Council meeting to consider a recommendation from the Planning Commission and heard public testimony on the proposed Short-Term Rental Ordinance and introduced an ordinance for first reading by title only; and

WHEREAS, on June 18, 2019 the City Council did not introduce the ordinance for second reading, but rather referred the ordinance back to staff to prepare a modified version of the Short-Term Rental Task Force’s recommended ordinance; and

WHEREAS, on July 16, 2019 the City Council held a duly noticed public hearing to consider a revised Short-Term Rental Ordinance along with a recommendation from the Planning Commission and the Short-Term Rental Task Force; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY ORDAIN AS FOLLOWS:
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Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

Section 1. The City Council hereby finds the recitals of this resolution as true and correct, and such recitals are hereby incorporated by reference as though fully set forth in the text of this draft Ordinance.

Section 2. This proposed ordinance is Statutorily Exempt from CEQA consistent with Section 15061.b.3, that there no possibility the activity in question may have a significant effect on the environment.

Section 3. The City Council adopt the following Ordinance as shown in in Sections 4, 5 and 6 attached hereto, and incorporated herein by reference.


Section 5. The following sections in Chapter 21.23A are hereby amended as follows:

Section 21.23A.010 - Purpose: Paragraph O is hereby added to read as follows:

O. Short-Term Rental Permits

Section 21.23A.020 - Authority to make decisions: – Sub-paragraph I. to Paragraph C.1 is hereby added to read as follows:

I. Appeals to modify or overrule decisions of the Director of community development with respect to the issuance, denial or revocation of Short-Term Rental Permits, in accordance with Chapter 21.34.

Section 21.23A.030 – Hearing requirements: Paragraph O. is hereby added to read as follows:

O. Appeal of Short-Term Rental Permits. Public hearings, noticed as prescribed by Section 21.23A.040(A) shall be conducted by the planning commission.

Section 21.23A.050 – Effective date of decisions: Paragraph O is hereby added to read as follows:

O. Short-Term Rental Permit Appeals. Fifteen calendar days following planning commission adoption of a resolution specifying the decision made; provided that an appeal has not been filed to the city council and that the city council has not called the Short-Term Rental Permit up for council hearing.

Section 6. Chapter 21.34 is hereby added to the Municipal Code of the City of El Paso de Robles as follows:

CHAPTER 21.34 SHORT-TERM RENTAL PERMITS

21.34.010 Scope, Purpose and Findings.

A. The purpose of this Chapter is to document the procedures and regulations that govern the application for, and the issuance and implementation of, permits for the operation of any short-term rental use within the city.
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Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

B. The city council hereby finds that unregulated transient occupancy uses in residential and non-residential districts present a threat to the public welfare relating to compatibility with residential uses and preservation of the character of the neighborhoods in which they are located.

C. The city council hereby finds that the adoption of a comprehensive ordinance regulating the issuance of and operating conditions attached to short-term rental permits is necessary to protect the public health, safety and welfare. The purpose of this Chapter is to provide a permit system and to impose operational requirements to minimize the potential adverse impacts to surrounding neighbors of transient uses in residential neighborhoods and zoning districts, such as traffic congestion, street parking, and noise, and to ensure the health, safety and welfare of renters and guests patronizing short-term rentals.

D. The provisions of this Chapter will also benefit the public welfare by providing an additional source of revenue to the city, as operators of short-term rentals are required to pay transient occupancy tax to the city, which will offset some of the additional costs of providing services to the renters.

E. The City Council hereby finds that the city’s regulation of short-term rental uses in accordance with this Chapter is a valid exercise of the city’s police power in furtherance of the legitimate governmental interests documented in this Chapter.

F. The City Council hereby finds that short-term rentals are an allowable accessory use to legally permitted, existing residential dwellings within all zoning districts subject to the regulations of this code section.

21.34.020 Definitions

A. “Applicant” means any person, firm, partnership, association, joint venture, corporation, or an entity, combination of entities or consortium, who seeks or seek approval of a Short-Term Rental Permit under the authority of this Chapter.

B. “Authorized Agent” means the person specifically authorized by an Owner, in writing, to represent and act on behalf of the Owner and to act as an operator, manager and contact person of a Non-Hosted Accommodation, and, along with the Owner, to provide and receive any notices identified in this Chapter on behalf of the Owner.

C. “Bed and Breakfast” means a Homeshare with no more than five (5) bedrooms, a permit issued by the San Luis Obispo County Health Department for food service, and which may be used for special events only when special events are authorized by a conditional use permit issue in compliance with this Code.

D. “Bedroom” means any habitable room with no less than 70 square feet of floor area and no dimension less than seven (7) feet, in a dwelling, with at least one wall located along an exterior wall with a window that can be used for emergency egress, and equipped with ventilation, heating, smoke detector and carbon monoxide detector. Egress window requirements shall be based on the California Building Code requirements at the time of original construction of the room.

E. “Director” means the Director of Community Development of the City, or a designee of the Community Development Director or City Manager.
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F. “Enforcement Officer” means the Director, chief building official, fire marshal, city manager or any other city employee designated by the Director or city manager to enforce this Chapter.

G. “Good Neighbor Brochure” means a handbook prepared by the city regarding the general rules of conduct to be followed by Renters and applicable provisions of the Paso Robles Municipal Code.

H. “Guest” means an invitee of a Renter or other person visiting a Renter of a Short-Term Rental unit who does not rent the unit.

I. “Homeshare” means a Short-Term Rental structure in which the Owner both resides and remains during the time a Renter is occupying the Short-Term Rental unit. This can include an accessory dwelling unit (ADU) located on the same parcel as with the primary residence occupied by the owner. As a Homeshare, the Owner may be absent from the property during the time a Renter is occupying the Short-Term Rental unit for a maximum of 30 days within any calendar year, only if an Authorized Agent has been designated and provided to the City to respond to complaints as required in Section 21.34.050.

J. “Hotline” means the telephonic service maintained by the city for the purpose of receiving complaints regarding the operation of any Short-Term Rental.

K. “Hotline Contact” means the person designated on the Permit who shall be available by telephone 24 hours a day, 7 days a week during the entire time a Short-Term Rental property is occupied by a Renter.

L. “Non-Hosted Accommodation” means a Short-Term Rental structure that is not occupied by either the Owner or an Authorized Agent while it is being occupied by a Renter. A Non-Hosted Accommodation permit may operate as a Homeshare, but not the converse.

M. “Owner” means the person or entity holding fee title to the real property that is the subject of a Short-Term Rental Permit.

N. “Permit” means the permit issued by the city, in accordance with the procedures set forth in this Chapter, allowing an Owner or Authorized Agent to rent a Short-Term Rental unit at the specified location.

O. “Permittee” means the person or entity to whom a Permit is issued pursuant to this Chapter.

P. “Renter” means a person, not an Owner or Authorized Agent, renting or occupying a Short-Term Rental property in accordance with the terms of this Chapter. For purposes of Chapter 5.06, “Renter” shall have the same meaning as “Transient,” as defined in Section 5.06.020.

Q. “Short-Term Rental” means any habitable structure constructed for residential occupancy under the California Building Code for which a rental contract for occupancy has been made for a term of 30 days or less and which the Short-Term Rental use is permitted to operate, pursuant to a current and valid Permit on file with the City. Short-Term Rentals include both Homeshares and Non-Hosted Accommodations.

21.34.030 Permit Requirements
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Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

A. No Owner may operate, or allow a subject property to be operated, as a Short-Term Rental unless and until it has been issued (1) a Permit issued by the city in accordance with this Chapter 21.34; and (2) a business license tax certificate, pursuant to Chapter 5.04 of the Paso Robles Municipal Code. Together, the Owner and Owner’s Authorized Agent shall be responsible for applying for and for renewing the business license tax certificate and the Permit.

B. All short-term rental permits shall consistent with Table 21.34.030.1 and Table 21.34.030.2.

Table 21.34.030.1 Short Term Rental Permitting Table

<table>
<thead>
<tr>
<th>Rental Type</th>
<th>Homeshare Permit</th>
<th>Non-Hosted Accommodation Permit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-Term Rental</td>
<td>Short-Term Rental Permit may be issued for the following:</td>
<td>Short-Term Rental Permit may be issued for the following:</td>
</tr>
<tr>
<td></td>
<td>• Primary dwelling</td>
<td>• Primary dwelling</td>
</tr>
<tr>
<td></td>
<td>• Second Units</td>
<td>• Second Unit</td>
</tr>
<tr>
<td></td>
<td>• Guest Houses</td>
<td>• Residential portions of Mixed Use structures consistent with interpretation (2).</td>
</tr>
<tr>
<td></td>
<td>• Multi-family residential apartments</td>
<td>Interpretations:</td>
</tr>
<tr>
<td></td>
<td>• Residential portions of Mixed Use structures</td>
<td>1. Multi-family residential apartment units (4 or more dwellings per lot) may not be used as Non-Hosted Short-Term Rentals.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. No more than two (2) Non-Hosted Short-Term Rental Permits will be issued per legal parcel.</td>
</tr>
<tr>
<td></td>
<td>Interpretations:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. A maximum of two (2) Homeshare Short-Term Rental Permits will be issued per legal parcel in the R-1 zoning district.</td>
<td></td>
</tr>
<tr>
<td>Bed &amp; Breakfast - Food Service</td>
<td>Conditional Use Permit San Luis Obispo County health permit</td>
<td>Not permitted</td>
</tr>
</tbody>
</table>

No short-term rental permit for a Non-Hosted Accommodation shall be issued in conflict with this table.

Exceptions:

1. Permit applicants in possession of a valid short-term rental business license, with an application submitted date on or before July 16, 2019 shall be exempt from the numeric requirements for purposes of Permit issuance.

The application form for a Permit shall be available from the Community Development Department. A separate Permit application is required for each rental address or individual rental unit. The Owner (for a Homeshare Permit) or the Owner and registered
Attachment 2

Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

Authorized Agent (for a Non-Hosted Accommodation Permit) shall be required to provide, maintain and keep current the following information on the Permit application:

1. Name and contact information (including home/business telephone numbers, mobile phone numbers, email address and permanent mailing address) of the Owner, and Authorized Agent, if any, of the Short-Term Rental property.

2. Identification of whether the Short-Term Rental is a Homeshare and/or Non-Hosted Accommodation.

3. Address of the Short-Term Rental property.

4. Floor plan (to scale) showing all interior rooms and location of each Bedroom with number of beds (including sofa beds or hide-a-beds) to be rented as part of the Short-Term Rental and approximate square footage in the Short-Term Rental property, and the maximum number of overnight Renters, subject to the limitations set forth in Section 21.34.030 D., below.

5. Site plan showing entire property on which Short-Term Rental unit is located, including the power panel disconnect, house water main valve, number and location of designated on-site parking spaces available (including garage parking) for use by Renter(s) and storage location of trash containers and scheduled day for trash pickup.

6. Evidence satisfactory to city that each Bedroom meets all local building and safety code requirements.

7. Acknowledgement that the Owner, and the Authorized Agent, if any, has read all regulations pertaining to the operation of a Short-Term Rental, including this Chapter, the city’s business license tax requirements (Chapter 5.04), the city’s transient occupancy tax requirements (Chapter 5.06), City Council Resolution 17-082 creating the Paso Robles Tourism Improvement District and agreement to pay the required assessments thereunder, the San Luis Obispo County Visitors and Conference Bureau (dba Visit SLO CAL) and agreement to pay the required assessments thereunder, and to comply with any additional administrative regulations promulgated by the Director to implement this Chapter.

8. The name and all forms of contact information of the registered contact person (who may be the Owner or the Authorized Agent, if any) who shall be available by telephone 24 hours a day, 7 days a week, and who shall be able to respond within 30 minutes of receipt of a complaint while the Short-Term Rental property is occupied by a Renter.

9. Any other information as the Director deems reasonably necessary to administer this Chapter.

10. Acknowledgement and agreement that any and all use of the property for Short-Term Rental shall cease upon transfer of the property, expiration of the Permit, or revocation of the Permit, pursuant to Section 21.34.060.
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11. Agreement to hold harmless, indemnify, and defend the city against any claims or litigation arising from the issuance or revocation of the Permit.

12. Agreement to pay any costs to enforce the conditions of the Permit, including, but not limited to any city authority response to verified nuisance complaints, or inspections of the Short-Term Rental Property.

14. Certification under penalty of perjury as to the accuracy of the information provided on the Permit application and agreement to comply with all conditions of the Permit and this Chapter.

D. Permit Application Process.

1. Processing Fee. The City Council, by resolution, shall specify from time to time, in its master fee schedule, the amount of the Permit application and processing fee, based upon the city’s reasonable estimated costs for processing and reviewing the Permit application materials and maintaining the Hotline. The Permit application and processing fee shall be non-refundable.

2. Numeric Limits on the Processing and Issuance of Short-Term Rental Permits. The City Council, by resolution, may adopt procedures to implement permit issuance, including the establishment of application periods, waitlists and/or grace periods for applicants already in possession of valid short-term rental business licenses, and may limit the total number of Short-Term Rental Permits available for issuance.

3. Review. Upon review of the materials submitted with the Permit application, the Director shall determine whether a Permit will be issued or the application is incomplete and notify the Applicant within 60 days. If the Director determines that the Permit may be issued upon compliance with certain conditions, the Director shall notify the Applicant in writing of the nature of the conditions that must be satisfied in order to receive a Permit. If the Director determines that the Permit should be denied, the Director shall notify the applicant in writing of the reasons for the denial. The decision of the Director may be appealed to the Planning Commission pursuant to the procedures set forth in Chapter 21.23A.

4. Permit Renewal. No earlier than 12 months and at least sixty (60) days prior to the expiration of a Permit, the Owner and the Authorized Agent, if any, of a Short-Term Rental shall submit an application to renew the Permit on a form available from the City, along with a renewal fee in an amount to be established by resolution of the City Council in the city’s master fee schedule. The Owner or Authorized Agent shall identify any notice of violation or concern (including any compliance or citation issued by the city) issued for the Short-Term Rental use during the Permit Term, and shall document how the violation or concern has been addressed. If the Director determines that any past violation or concern has not been adequately addressed, or that a history of past violations is detrimental to the public health, safety, or welfare, the Director may determine that the Permit is ineligible for renewal for a period of 12 months. The Applicant or any interested person may appeal the decision of the Director to the Planning Commission pursuant to the procedures set forth in Chapter 21.23A.
Attachment 2

Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

5. **Permit Transfer Prohibited.** No Permittee shall transfer, or attempt to transfer, a Permit to any other person.

   **Exceptions:** Short-Term Rental Permits may be transferred to a new owner in the TC-1 and TC-2 Zoning Districts (Uptown / Town Center Specific Plan).

E. **Permit Conditions.** Each Permit issued pursuant to this Chapter shall be subject to all of the following conditions:

1. **Term** of each Permit issued pursuant to this Chapter shall be for three (3) years. Upon the expiration or lapse of any Permit, it shall be of no further force or effect.

2. A copy of the Permit and Good Neighbor Brochure shall be posted in a prominent location inside the Short-Term Rental unit.

3. The Permittee shall require any Renter to sign an agreement acknowledging receipt of the Good Neighbor Brochure and agreement to comply with its terms. If the rental is through a third party hosted on-line platform, the Permittee shall require the third party to provide an on-line link to the Good Neighbor Brochure and a mechanism by which a Renter shall provide an acknowledgement of receipt of the Good Neighbor Brochure and agreement to comply with its terms.

4. The Permittee shall require Renters to utilize the designated on-site parking spaces, to the maximum extent possible.

5. The Permittee shall limit (i) parking on public streets, (ii) overnight occupancy, and (iii) daytime guests of the Short-Term Rental property to the numbers specified in the following table:

   **Table 21.34.030.2 Short-Term Rental Parking and Occupancy Limits**

<table>
<thead>
<tr>
<th># of Bedrooms</th>
<th>Minimum On-site Parking</th>
<th>Total # of Overnight Occupants (9 pm. to 7 a.m.)</th>
<th>Maximum # of Daytime Occupants (7 a.m. to 9 p.m.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 / 1 bedroom</td>
<td>1</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>2 bedrooms</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>3 bedrooms</td>
<td>3</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>4 bedrooms</td>
<td>4</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>5 bedrooms</td>
<td>5</td>
<td>10</td>
<td>14</td>
</tr>
</tbody>
</table>

   **Deleted:**
   - 4
   - 6
   - 9
   - 2
   - 8
   - 12
   - 3
   - 10
   - 15
   - 3
   - 12
   - 18

**Exceptions to Table 21.34.030.2:**

5a. The Director may approve exceptions to the parking requirements for short-term rentals with existing, non-conforming on-site parking deficiencies in all zoning districts.

5b. Children 2 years of age and under are not counted as occupants.
Attachment 2

Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

6. The Permittee shall provide access to the garage of the Short-Term Rental if the garage has been included in the determination of the number of available on-site parking spaces.

7. It is the intent of the city to enforce sections of the Streets and Highways Code related to the provision for emergency vehicle access. Accordingly, no limousine or bus parking, and no stopping without the driver’s presence, shall be allowed in any manner that would interfere with emergency vehicle access. In the event of an emergency, the vehicle driver shall immediately move the vehicle from the emergency vehicle access area.

8. The Permittee shall provide appropriate refuse and recycling service for the Short-Term Rental property. Property shall be free of debris both onsite and in the street. Refuse and recycling cans shall be maintained in a clean and sanitary condition, stored in the approved onsite location, moved to the pickup location no more than 24 hours prior to trash pickup, and returned to storage no more than 24 hours after pickup.

9. The Permittee shall post in a conspicuous interior location near the entry door, an informational sign for Renters with important notices, rules and regulations; immediate contact information for Owner/Agent, Police, and Emergency Services; Hotline telephone number; emergency procedures; site address; maximum allowed number of permitted overnight renters, daytime occupants, and vehicles; neighborhood quiet time regulations; and trash pickup instructions and trash pickup days.

10. The Permittee shall ensure that the Renters and/or Guests of the Short-Term Rental property do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of this Code, including but not limited to any City noise regulations including Chapter 9.07 (Prohibited Conduct);

11. The Permittee shall, upon notification that Renters and/or Guests of the Short-Term Rental property have violated any Permit conditions (including any unreasonable noise or disturbances, disorderly conduct, or violations of this Code or state law), promptly act to stop the violator(s) and prevent a recurrence of the violation, provided, however, that the City does not intend to authorize, and the City does not authorize, the Permittee to act as a peace officer or place himself or herself in harm’s way.

12. The Permittee shall not allow the Short-Term Rental property to be used for any gathering where the number of persons will exceed the permitted daytime occupancy limits, as set forth in this Section, unless an approved city use permit for a special event has been obtained.

13. The Owner or Authorized Agent must be available to respond to any nuisance complaints within 30 minutes, at all times when the Short-Term Rental is rented, 24-hours a day.

14. The Permittee shall allow the City, upon 24-hour notice from the city, to inspect, with cause, the Short Term Rental for compliance with the requirements of this Chapter. Permittee shall pay an inspection fee in an amount set by the City Council.
Attachment 2
Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

by resolution for the city's master fee schedule based on the estimated reasonable cost to perform the inspection.

15. Within 10 days of permit issuance, the Owner or agent shall notify all neighbors, within 50 feet of the perimeter of the property, that a Short-Term Rental Permit has been obtained. Notification will include a copy of the Good Neighbor Brochure and the owner's name and phone number.

F. Rental Agreements. The Permittee shall enter into a written rental agreement with the Renter of any Short-Term Rental property, or shall enter into an agreement provided by a third party hosted on-line platform, which agreement shall, at a minimum, include the following:

1. The name, address, mobile phone, text and email address of the Renter.

2. The terms and conditions of the rental agreement, including occupancy limits, noise prohibitions and vehicle parking requirements.

3. Acknowledgment by the Renter that he or she is legally responsible for compliance by all occupants of the Short-Term Rental and any guests with the conditions of this Section and the terms of the rental agreement.

4. Acknowledgment by the Renter of receipt of a copy of the Good Neighbor Brochure.

5. Acknowledgment and agreement that the City may inspect the Short-Term Rental property, for cause, upon 24-hours' notice.

21.34.040 Occupancy and Guest Limits for Short-Term Rentals.

The number of overnight occupants and guests for each Short-Term Rental property shall be limited in accordance with Table 21.34.030.2 and state law, based on the number of Bedrooms identified in the Short-Term Rental Permit.

21.34.050 Short-Term Rental Hotline

A. The City shall establish and maintain a non-emergency Hotline telephone number for the express purpose of receiving complaints regarding the operation of any Short-Term Rental property, and forwarding those complaints to both the Owner and Authorized Agent, if any, for that Short-Term Rental property for immediate resolution of the complaint, and/or, if necessary, to the Paso Robles Police Department if the complaint has not been resolved. Owner/Authorized Agent will be responsible for paying any and all city costs incurred in response to the complaint. The Hotline number and the city complaint policy shall be included in all Permits, the Good Neighbor Brochure, and in all rental agreements for all Short-Term Rental properties. In addition, the city shall post the Hotline number on the city website.

B. The city / Hotline shall maintain a record of complaints received on the Hotline that shall include the following information:

1. Date and time of complaint;

2. Nature of complaint;
Attachment 2

Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

3. Address of the Short-Term Rental property that is the subject of the complaint;
4. Complainant’s name, address and contact information; and
5. Actions taken by the Hotline attendant in response to the complaint including, but not limited to: persons contacted, including law enforcement, if applicable, and date and time of actions taken in response to complaint.
6. Corrective action taken by Owner/Authorized Agent in response to complaint.

C. Hotline Response

1. The Owner or Authorized Agent shall resolve the complaint within thirty (30) minutes of being notified of a complaint by the Hotline.
2. The Owner or Authorized Agent shall notify the Hotline attendant of the corrective action taken and results obtained within thirty (30) minutes of being notified of a complaint by the Hotline.
3. If the Owner or Authorized Agent believes the situation is un-safe, they shall immediately contact the Police Department for assistance. Proactively contacting the Police Department for assistance will not be counted as a permit violation.

21.34.060 Enforcement

A. Revocation of Permit. Any person violating any of the provisions of this Chapter shall be guilty of a misdemeanor. Any time during the term of permit, the Director is authorized to initiate proceedings to revoke a Permit (or pursue any other remedy set forth in Title 1 of this Code), if the Director determines in his or her discretion that (i) the Permittee provided materially false or misleading information in any submittal required under this Chapter; or (ii) the Permittee has committed a total of three (3) violations of a combination of any of the violations specified in Section 21.34.060.B within a 180-day period; or (iii) the Permittee fails to maintain an active business license tax certificate per Chapter 5.04.

In the event the Director determines that any of the conditions described above exists, the Director is authorized to issue an order specifying the violations to be cured. If the Permittee fails to cure the violations identified in the order within the time period specified, the Director may pursue any of the remedies set forth in Title 1 of this Code, including but not limited to the issuance of administrative citations, revocation of permit, criminal prosecution, and/or civil action. The City Council may, by resolution, establish escalating administrative fines for violations of this Chapter. The Applicant or any interested person may appeal the decision of the Director to the planning commission pursuant to the procedures set forth in Chapter 21.23A.

B. Cause for Revocation or Non-Renewal of a Permit

1. Failure to remit required fees and taxes.
2. Attempt to transfer of the permit to another owner.
3. Operation for other than the specific purpose of the property as a short-term rental including, but not limited to:
Attachment 2

Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

a. Criminal activity, habitual public nuisance, or serial violation of the ordinance take place at, on, or with respect to the short-term rental property;

b. Keeping of a disorderly place; that is, the ownership and/or management of any property purported to be a short-term rental where unlawful practices regularly occur will result in the loss of the short-term rental permit;

c. Operation of the property for other than the specific purpose of a short-term rental including but not limited to allowing or taking part in dealing of controlled substances, gambling, pandering, or prostitution, or sub-letting for such illegal use or uses;

4. Keeping of a disorderly place, defined as one or more criminal complaints verified within a 365-day period or two or more complaints requiring law enforcement response, also within a 365-day period;

5. The property constitutes a public nuisance pursuant to Section 9.06.030 of the Paso Robles Municipal Code. In addition to any other remedy allowed by law, the City may enforce the provisions of this Ordinance through the provisions Chapter 9.06 of the Paso Robles Municipal Code, including civil, criminal, and administrative abatement proceedings, administrative citations, and penalties.

6. Failing to comply with regulations specified (by written notice) all related corrective measures within a 30-day period;

7. Advertising the short-term rental and purposely not including in the advertisement display the short-term rental permit identification;

8. Failure to comply with the short-term rental occupancy and parking requirements;

9. Failure to maintain solid waste and recycling consistent with short-term rental requirements.

C. Operating without a Permit. Operating a Short-Term Rental without a permit is a violation of the Paso Robles Municipal Code and any person operating a short-term rental without a permit is guilty of a misdemeanor subject to the enforcement process and a fine of not more than $1,000. Each Owner and/or Authorized Agent is guilty of a separate offense for each and every day during any portion of which the violation of this chapter or any rule or regulation promulgated there under is continued.

D. Pursuant to California Government Code Section 38771, the city council hereby declares the following condition to constitute a public nuisance: operating and/or maintaining a Short-Term Rental without a valid Permit.

E. The penalties in this chapter are in addition to, and not in lieu of, any other available remedy at law. All remedies prescribed under this chapter shall be cumulative and the election of one or more remedies shall not bar the City from the pursuit of any other remedy for the purpose of enforcing the provisions hereof or in the abatement of any public nuisance.

21.34.070. Sunset Clause

This ordinance shall expire within three (3) years of the effective date unless the City Council has conducted a review of its provisions and either extended or amended the Short-Term Rental Ordinance.
Attachment 2

Ordinance B.1. – Council Modified Short-Term Rental Task Force Version

Section 7. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 8. Effective Date. This Ordinance shall be in full force and effect 30 days after its passage and adoption as provided by Government Code section 36397.

Section 9. Publication. The City Clerk shall certify as to the adoption of this Ordinance and shall cause a summary thereof to be published at least five (5) days prior to the meeting at which the proposed Ordinance is to be adopted and shall post a certified copy of the proposed Ordinance in the Office of the City Clerk. Within fifteen (15) days of the adoption of the Ordinance, the City Clerk shall cause a summary of the Ordinance to be published, including the vote for and against the same, in accordance with Government Code Section 36933.

INTRODUCED at a regular meeting of the City Council held on July 16, 2019, for first reading by the City Council of the City of El Paso de Robles, and adopted on the ___ day of ______, 2019, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

__________________________
Steven W. Martin, Mayor

Attest:

__________________________
Caryn Jackson, Deputy City Clerk
RESOLUTION X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
APPROVING A SHORT-TERM RENTAL PERMIT FEE SCHEDULE, NUMERIC LIMITS
TO SHORT-TERM RENTAL PERMITS, VIOLATION ENFORCEMENT POLICY AND
ANNUAL MONITORING POLICY

(Short-Term Rental Permit Policies)

WHEREAS, State law governing municipal planning and finance in California recognizes the validity
of, and authorizes, the imposition by cities of fees for services; and

WHEREAS, the City prepared a Cost of Service Study with the assistance of Maximus, Inc. in 2005
to ensure that the City's fees for services are reasonable and equitable and do not exceed the reasonable cost
of providing the services, which has been reviewed annually to ensure that fees do not exceed the
reasonable cost of the service; and

WHEREAS, the City Council adopted a comprehensive fee schedule for City services based upon the
2005 Cost of Service Study (Resolution No. 05-192); and

WHEREAS, the City Council is considering, and Planning Commission recommends, the adoption
of an ordinance (the “Ordinance”) that would require a property owner or authorized agent of a property
owner to obtain a permit for the short-term rental of a residential unit and would also establish a telephone
hotline that will require additional staff and consultant time to implement; and

WHEREAS, the General Plan and City policy require City service costs to be recovered through
the collection of permit fees; and

WHEREAS, the City has prepared a Comprehensive Fee Schedule for City Services FY 2018-19,
which reflects the Consumer Price Index (“CPI”) adjustments to fees authorized by Resolution No. 05-192, as
well as certain fees based on the updated analysis of the cost of providing certain specific services; and

WHEREAS, the proposed cost recovery fees in this Resolution meet the requirements that the fees
be reasonable and equitable as they are based on reasonable staff hour estimates of 1.5 hours of staff time to
process short-term rental applications, plus one hour of staff time for noticing requirements, and they do
not exceed the cost of providing the services; and

WHEREAS, the City has the discretion, in a given situation, to determine that it should charge less
than the amount necessary to fully recover its cost; and

WHEREAS, the Short-Term Rental Task Force held eight public meetings from February to April
2019 and forwarded a recommendation to the City Manager regarding changes to the Short-Term Rental
Ordinance; and

WHEREAS, the Short-Term Rental Task Force recommends that restrictions be placed on the
processing and number of short-term rental permits in order to protect the public welfare; and

WHEREAS, the Short-Term Rental Task Force’s recommendations have been reviewed by City
staff and the City Attorney and incorporated into the following draft Short-Term Rental Ordinance; and

WHEREAS, the Planning Commission held a public hearing to consider the proposed Short-Term
Rental Ordinance on April 23, 2019 and voted 4-0 to continue the hearing to May 14, 2019 with direction to
staff to further analyze various sections of the ordinance; and
WHEREAS, the Planning Commission reconvened a continued public hearing to consider the proposed Short-Term Rental Ordinance on May 14, 2019, prior to recommending the City Council adopt the following Short-Term Rental Permit Policies; and

WHEREAS, on June 5, 2019 the City Council held a duly noticed public hearing at the adjourned June 4, 2019 regular City Council meeting to consider a recommendation from the Planning Commission and heard public testimony on the proposed Short-Term Rental Permit Ordinance and introduced an ordinance for first reading by title only; and

WHEREAS, on June 18, 2019 the City Council did not introduce the ordinance for second reading, but rather referred the ordinance back to staff to prepare a modified version of the Short-Term Rental Task Force’s recommended ordinance; and

WHEREAS, on July 16, 2019 the City Council held a duly noticed public hearing to consider a revised Short-Term Rental Ordinance and Processing Procedures along with a recommendation from the Planning Commission and the Short-Term Rental Task Force.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct and incorporated herein by reference.

Section 2. The City Council approves the following non-refundable fees in furtherance of the Ordinance adding Chapter 21.34 to the Paso Robles Municipal Code regarding Short-Term Rentals:
   a. Short-Term Rental Permit Fee (3-year term) of:
      1). $550 for all short-term rentals, except for homeshares with only one (1) bedroom available to rent, which shall be subject to the Permit fee in Section 2.a.2., below. “Homeshares” are defined in Chapter 21.34 of the Paso Robles Municipal Code;
      2). $300 for homeshares with only one (1) bedroom available to rent; and
   b. Short-Term Rental Inspection Fee will be charged based on staff time incurred.

Section 3. The City Council orders the issuance of Short-Term Rental Permits be processed and numerically limited consistent with Exhibit A.

Section 4. This resolution shall take effect immediately.

APPROVED this 16th day of July 2019, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Steven W. Martin, Mayor

Caryn Jackson, Deputy City Clerk
Exhibit A
Short-Term Rental Permit Processing, Numeric Limits, Administrative Citation Fine, Violation Enforcement Policy and Annual Monitoring Policy

1. Short-Term Rental Permit Numeric Limits

<table>
<thead>
<tr>
<th>Zoning District</th>
<th>Maximum Non-Hosted Accommodation Permits</th>
<th>Homeshare Permits</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-1 – Single-Family Residential</td>
<td>75 permits</td>
<td>No limit</td>
</tr>
<tr>
<td>All other zones</td>
<td>250 permits</td>
<td>No limit</td>
</tr>
<tr>
<td>Total all zones</td>
<td>325 permits</td>
<td>No limit</td>
</tr>
</tbody>
</table>

2. Short-Term Rental Permit Processing Procedure

a) On the effective date of the ordinance, the City shall stop accepting and issuing Short-Term Rental Business Licenses without proof of a valid Short-Term Rental Permit issued to the applicant.

b) On the effective date of the ordinance, Short-Term Rental Permit applications will be accepted only from owners in possession of an existing, valid Short-Term Rental Business License whose business license application was submitted to the City on or July 16, 2019. To be considered for the initial issuance of permits, Short-Term Rental Permit applications from owners in possession of an existing, valid Short-Term Rental Business License, whose business license application was submitted to the City on or before July 16, 2019, must be submitted within 30 days of the effective date of the ordinance. Short-Term Rental Permits will be issued to all valid business license holder with complete application as follows:

i. Short-term rental permits submitted in the first 30 days as specified above will not be restricted by numeric caps within a zone or on an individual lot.

c) Short-term rental operators that complied with the provisions in Section b above, may continue to operate until a Short-Term Rental Permit is issued or denied by the City. If a permit is denied and an appeal is filed, the short-term rental may operate until the appeal process is exhausted.

d) Starting 30 days after the effective date of the ordinance, no additional Short-Term Rental Permit applications will be accepted by the City, except as specified below.

e) All Short-term rentals with a valid business license may operate without restrictions to the morning after August 1, 2019.

f) Effective September 6, 2019, business licenses for short-term rentals will only be renewed if a Short-Term Rental Permit has been issued for the business.

g) Starting 90 days after the effective date of the ordinance, Short-Term Rental Permit applications may be accepted, with permits to be issued to eligible applicants on a first-come basis consistent with the numeric permit limits established by the City Council in this Resolution, as well as the density and separation requirements of Chapter 21.34 of the Paso Robles Municipal Code.
h) In the event the City is unable to issue a permit solely due to the numerical limits established herein, the City will develop and maintain a permit availability list and may place applicants on the list. If a permit becomes available, the City will notify the applicant by US Mail who has been on the permit availability list the longest and allow him or her a reasonable time to provide the City with any information necessary to ensure the application is current and otherwise complies with the ordinance. If the applicant fails to respond and/or provide current information within 30 days, the City shall remove the applicant from the permit availability list and repeat the process until a permit has been issued or all of the applicants on the permit availability list have been notified.

3. Short-term Rental Violations--Administrative Fine Schedule

The City Council hereby establishes the following Administrative Fine Schedule for violations of the Short-Term Rental Ordinance, as authorized by Paso Robles Municipal Code Chapter 1.03 and section 21.34.060:

a) A fine not exceeding one hundred ($500) dollars for a first violation;

b) A fine not exceeding two hundred ($750) dollars for a second violation of ordinance or permit within one year from the date of the first violation;

c) A fine not exceeding five hundred ($1,000) dollars for each additional violation of ordinance or permit within one year from the date of the first violation.

4. Short-term Rental Ordinance Monitoring

The City Council shall conduct an annual review of the Short-Term Rental Ordinance prior which will include the following items:

a) Review of attrition rate of Short-Term Rental Permits in the R-1 zone.

b) Review of Short-Term Rental Permit concentration in R-1 zones.

c) Review the number of “inactive” Short-Term Rental Permits.
ORDINANCE NO. XXXX N.S.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES ADOPTING A ZONING CODE AMENDMENT ORDINANCE.


(City of Paso Robles - Short-Term Rental Ordinance)

WHEREAS, the growing popularity of “home-sharing” and other short-term vacation rentals, through the use of websites such as Airbnb, VRBO, and Homeaway, allow individual homeowners, landlords, and tenants to list homes, apartments, and rooms for rent at the price and duration of their choosing; and

WHEREAS, the City Council finds that unregulated “home-sharing” and use of existing housing as short-term rentals can escalate the demand for City services and create adverse impacts in residential zones by introducing commercial activity in neighborhoods, adversely affecting the available housing stock in the City, and increasing adverse impacts such as noise, unpermitted special events, and traffic and parking congestion in residential areas; and

WHEREAS, in 2016 the City conducted several community workshops attended by operators of short-term rentals and concerned neighbors; and

WHEREAS, a Short-Term Rental Task Force met eight times to review issues related to short-term vacation rentals and explore potential policies; and

WHEREAS, there was a consensus that there should be a reasonable balance between the regulation of short-term rental operations, which pay transient occupancy tax (“TOT”) to the City, and the recognized need to protect the character of residential neighborhoods; and

WHEREAS, the Short-Term Rental Task Force submitted an outline of items to be addressed in a short-term rental ordinance; and

WHEREAS, the proposed ordinance is beneficial to the public health, safety and general welfare of the community as it establishes performance standards to ensure the compatibility between short-term vacation rentals and the residential character of neighborhoods in which they may be located;

WHEREAS, on October 10, 2017 the Planning Commission held a public hearing to consider the proposed Short-Term Rental Ordinance and continued the hearing to October 24, 2017 with direction to staff to further analyze the section of the ordinance prohibiting transfers of permits and the 3-year term;

WHEREAS, on October 24, 2017 the Planning Commission reconvened the public hearing to consider a recommendation the City Council on the proposed Short-Term Rental Ordinance; and

WHEREAS, on November 7, 2017 the City Council held a duly noticed public hearing to consider a recommendation from the Planning Commission and heard public testimony on the proposed Short-Term Rental Ordinance; and
Attachment 4  
Ordinance A – Planning Commission Version

WHEREAS, the City Council deferred taking action on the proposed ordinance in November 2017; and

WHEREAS, between November, 2016 and February, 2019, the number of business licenses issued by the City for short-term rentals has increased from 167 to 323; and

WHEREAS, due to the significant increase in the number of business licenses issued to short-term rentals and additional community concerns regarding the impacts of short-term rentals upon their neighborhoods, the City Council held a duly noticed public hearing on February 5, 2019 to consider a proposed Short-Term Rental Ordinance urgency ordinance;

WHEREAS, due to a voting conflict, on February 19, 2019 the City Council rescinded adoption of the Short-Term Rental Ordinance urgency ordinance and referred the draft ordinance back to the Short-Term Rental Task Force for additional review and public input; and

WHEREAS, the Short-Term Rental Task Force held eight public meetings from February to April 2019 and forwarded a recommendation to the City Manager regarding changes to the Short-Term Rental Ordinance; and

WHEREAS, the Short-Term Rental Task Force’s recommendations have been reviewed by City staff and the City Attorney and incorporated into the following draft Short-Term Rental Ordinance.

WHEREAS, the Planning Commission held a public hearing to consider the proposed Short-Term Rental Ordinance on April 23, 2019 and voted 4-0 to continue the hearing to May 14, 2019 with direction to staff to further analyze various sections of the ordinance; and

WHEREAS, the Planning Commission reconvened a continued public hearing to consider the proposed Short-Term Rental Ordinance on May 14, 2019 and voted 4-0 to continue the hearing to May 15, 2019 to allow Commissioner Davis time to prepare; and

WHEREAS, the Planning Commission held a public hearing to consider the proposed Short-Term Rental Ordinance on May 15, 2019, where they consider a staff report and public comments prior to recommending the City Council adopt the following Short-Term Rental Ordinance,

WHEREAS, on June 5, 2019 the City Council held a duly noticed public hearing at the adjourned June 4, 2019 regular City Council meeting to consider a recommendation from the Planning Commission and heard public testimony on the proposed Short-Term Rental Ordinance,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The City Council hereby finds the recitals of this resolution as true and correct, and such recitals are hereby incorporated by reference as though fully set forth in the text of this draft Ordinance.

Section 2. This proposed ordinance is Statutorily Exempt from CEQA consistent with Section 15061.b.3, that there no possibility the activity in question may have a significant effect on the environment.

Section 3. The City Council adopt the following Ordinance as shown in in Sections 4, 5 and 6 attached hereto, and incorporated herein by reference.

Section 5.  The following sections in Chapter 21.23A are hereby amended as follows:

Section 21.23A.010 - Purpose:  Paragraph O. is hereby added to read as follows:

O.  Short-Term Rental Permits

Section 21.23A.020 - Authority to make decisions: – Sub-paragraph l. to Paragraph C.1 is hereby added to read as follows:

l. Appeals to modify or overrule decisions of the Director of community development with respect to the issuance, denial or revocation of Short-Term Rental Permits, in accordance with Chapter 21.34.

Section 21.23A.030 – Hearing requirements:  Paragraph O. is hereby added to read as follows:

O.  Appeal of Short-Term Rental Permits.  Public hearings, noticed as prescribed by Section 21.23A.040(A) shall be conducted by the planning commission.

Section 21.23A.050 – Effective date of decisions:  Paragraph O is hereby added to read as follows:

O.  Short-Term Rental Permit Appeals.  Fifteen calendar days following planning commission adoption of a resolution specifying the decision made; provided that an appeal has not been filed to the city council and that the city council has not called the Short-Term Rental Permit up for council hearing.

Section 6.  Chapter 21.34 is hereby added to the Municipal Code of the City of El Paso de Robles as follows:

CHAPTER 21.34 SHORT-TERM RENTAL PERMITS

21.34.010  Scope, Purpose and Findings.

A.  The purpose of this Chapter is to document the procedures and regulations that govern the application for, and the issuance and implementation of, permits for the operation of any short-term rental use within the city.

B.  The city council hereby finds that unregulated transient occupancy uses in residential and non-residential districts present a threat to the public welfare relating to compatibility with residential uses and preservation of the character of the neighborhoods in which they are located.

C.  The city council hereby finds that the adoption of a comprehensive ordinance regulating the issuance of and operating conditions attached to short-term rental permits is necessary to protect the public health, safety and welfare.  The purpose of this Chapter is to provide a permit system and to impose operational requirements to minimize the potential adverse impacts to surrounding neighbors of transient uses in residential neighborhoods and zoning districts, such as traffic congestion, street parking, and noise, and to ensure the health, safety and welfare of renters and guests patronizing short-term rentals.
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D. The provisions of this Chapter will also benefit the public welfare by providing an additional source of revenue to the city, as operators of short-term rentals are required to pay transient occupancy tax to the city, which will offset some of the additional costs of providing services to the renters.

E. The City Council hereby finds that the city’s regulation of short-term rental uses in accordance with this Chapter is a valid exercise of the city’s police power in furtherance of the legitimate governmental interests documented in this Chapter.

F. The City Council hereby finds that short-term rentals are an allowable accessory use to legally permitted, existing residential dwellings within all zoning districts subject to the regulations of this code section.

21.34.020 Definitions

A. “Applicant” means any person, firm, partnership, association, joint venture, corporation, or an entity, combination of entities or consortium, who seeks or seek approval of a Short-Term Rental Permit under the authority of this Chapter.

B. “Authorized Agent” means the person specifically authorized by an Owner, in writing, to represent and act on behalf of the Owner and to act as an operator, manager and contact person of a Non-Hosted Accommodation, and, along with the Owner, to provide and receive any notices identified in this Chapter on behalf of the Owner.

C. “Bed and Breakfast” means a Homeshare with no more than five (5) bedrooms, a permit issued by the San Luis Obispo County Health Department for food service, and which may be used for special events only when special events are authorized by a conditional use permit issue in compliance with this Code.

D. “Bedroom” means any habitable room with no less than 70 square feet of floor area and no dimension less than seven (7) feet, in a dwelling, with at least one wall located along an exterior wall with a window that can be used for emergency egress, and equipped with ventilation, heating, smoke detector and carbon monoxide detector. Egress window requirements shall be based on the California Building Code requirements at the time of original construction of the room.

E. “Director” means the Director of Community Development of the City, or a designee of the Community Development Director or City Manager.

F. “Enforcement Officer” means the Director, chief building official, fire marshal, city manager or any other city employee designated by the Director or city manager to enforce this Chapter.

G. “Good Neighbor Brochure” means a handbook prepared by the city regarding the general rules of conduct to be followed by Renters and applicable provisions of the Paso Robles Municipal Code.

H. “Guest” means an invitee of a Renter or other person visiting a Renter of a Short-Term Rental unit who does not rent the unit.

I. “Homeshare” means a Short-Term Rental structure in which the Owner both resides and remains during the time a Renter is occupying the Short-Term Rental unit. This can include an
accessory dwelling unit (ADU) located on the same parcel as with the primary residence occupied by the owner.

J. “Hotline” means the telephonic service maintained by the city for the purpose of receiving complaints regarding the operation of any Short-Term Rental.

K. “Hotline Contact” means the person designated on the Permit who shall be available by telephone 24 hours a day, 7 days a week during the entire time a Short-Term Rental property is occupied by a Renter.

L. “Non-Hosted Accommodation” means a Short-Term Rental structure that is not occupied by either the Owner or an Authorized Agent while it is being occupied by a Renter. A Non-Hosted Accommodation permit may operate as a Homeshare, but not the converse.

M. “Owner” means the person or entity holding fee title to the real property that is the subject of a Short-Term Rental Permit.

N. “Permit” means the permit issued by the city, in accordance with the procedures set forth in this Chapter, allowing an Owner or Authorized Agent to rent a Short-Term Rental unit at the specified location.

O. “Permittee” means the person or entity to whom a Permit is issued pursuant to this Chapter.

P. “Renter” means a person, not an Owner or Authorized Agent, renting or occupying a Short-Term Rental property in accordance with the terms of this Chapter. For purposes of Chapter 5.06, “Renter” shall have the same meaning as “Transient,” as defined in Section 5.06.020.

Q. “Short-Term Rental” means any habitable structure constructed for residential occupancy under the California Building Code for which a rental contract for occupancy has been made for a term of 30 days or less and which the Short-Term Rental use is permitted to operate, pursuant to a current and valid Permit on file with the City. Short-Term Rentals include both Homeshares and Non-Hosted Accommodations.

21.34.030 Permit Requirements

A. No Owner may operate, or allow a subject property to be operated, as a Short-Term Rental unless and until it has been issued (1) a Permit issued by the city in accordance with this Chapter 21.34; and (2) a business license tax certificate, pursuant to Chapter 5.04 of the Paso Robles Municipal Code. Together, the Owner and Owner’s Authorized Agent shall be responsible for applying for and for renewing the business license tax certificate and the Permit.

B. All short-term rental permits shall consistent with Table 21.34.030.1. and Table 21.34.030.2.
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### Table 21.34.030.1. Short Term Rental Permitting Table

<table>
<thead>
<tr>
<th>Rental Type</th>
<th>Homeshare Permit</th>
<th>Non-Hosted Accommodation Permit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-Term Rental</td>
<td>Short-Term Rental Permit may be issued for the following:</td>
<td>Short-Term Rental Permit may be issued for the following:</td>
</tr>
<tr>
<td></td>
<td>• Primary dwelling</td>
<td>• Primary dwelling</td>
</tr>
<tr>
<td></td>
<td>• Second Units</td>
<td>• Second Unit</td>
</tr>
<tr>
<td></td>
<td>• Guest Houses</td>
<td>• Residential portions of Mixed Use structures consistent with interpretation (2).</td>
</tr>
<tr>
<td></td>
<td>• Multi-family residential apartments</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Residential portions of Mixed Use structures</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Interpretations:</strong></td>
<td><strong>Interpretations:</strong></td>
</tr>
<tr>
<td></td>
<td>1. A maximum of one (1) Homeshare Short-Term Rental Permits will be issued per legal parcel in the R-1 zoning district.</td>
<td>1. Multi-family residential apartment units (4 or more dwellings per lot) may not be used as Non-Hosted Short-Term Rentals.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. No more than two (2) Non-Hosted Short-Term Rental Permits will be issued per legal parcel.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. A maximum of one (1) Non-Hosted Short-Term Rental Permits will be issued per legal parcel in the R-1 zoning district.</td>
</tr>
<tr>
<td>Bed &amp; Breakfast - Food Service</td>
<td>Conditional Use Permit San Luis Obispo County health permit</td>
<td>Not permitted</td>
</tr>
</tbody>
</table>

### Table 21.34.030.2. Non-Hosted Accommodation Separation Requirement

No short-term rental permit for a Non-Hosted Accommodation shall be issued in conflict with this table.

**Exceptions:**

1. Permit applicants in possession of a valid short-term rental business license, with an application submitted date on or before April 12, 2019 shall be exempt from the minimum separation requirement for purposes of Permit issuance.
2. Homeshare Permits are not subject to the separation requirement.

<table>
<thead>
<tr>
<th>Zoning District</th>
<th>Minimum Separation Distance</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-1 – Single-Family Residential</td>
<td>200 feet</td>
<td>1. Measured from perimeter of property line.</td>
</tr>
</tbody>
</table>
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| All other zones | 0 feet | No separation requirement |

2. Does not apply to a second short-term rental permit on the same lot.

The application form for a Permit shall be available from the Community Development Department. A separate Permit application is required for each rental address or individual rental unit. The Owner (for a Homeshare Permit) or the Owner and registered Authorized Agent (for a Non-Hosted Accommodation Permit) shall be required to provide, maintain and keep current the following information on the Permit application:

1. Name and contact information (including home/business telephone numbers, mobile phone numbers, email address and permanent mailing address) of the Owner and Authorized Agent, if any, of the Short-Term Rental property.

2. Identification of whether the Short-Term Rental is a Homeshare and/or Non-Hosted Accommodation.

3. Address of the Short-Term Rental property.

4. Floor plan (to scale) showing all interior rooms and location of each Bedroom with number of beds (including sofa beds or hide-a-beds) to be rented as part of the Short-Term Rental and approximate square footage in the Short-Term Rental property, and the maximum number of overnight Renters, subject to the limitations set forth in Section 21.34.030 D., below.

5. Site plan showing entire property on which Short-Term Rental unit is located, including the power panel disconnect, house water main valve, number and location of designated on-site parking spaces available (including garage parking) for use by Renter(s) and storage location of trash containers and scheduled day for trash pickup.

6. Evidence satisfactory to city that each Bedroom meets all local building and safety code requirements.

7. Acknowledgement that the Owner, and the Authorized Agent, if any, has read all regulations pertaining to the operation of a Short-Term Rental, including this Chapter, the city’s business license tax requirements (Chapter 5.04), the city’s transient occupancy tax requirements (Chapter 5.06), City Council Resolution 17-082 creating the Paso Robles Tourism Improvement District and agreement to pay the required assessments thereunder, the San Luis Obispo County Visitors and Conference Bureau (dba Visit SLO CAL) and agreement to pay the required assessments thereunder, and to comply with any additional administrative regulations promulgated by the Director to implement this Chapter.

8. The name and all forms of contact information of the registered contact person (who may be the Owner or the Authorized Agent, if any) who shall be available by telephone 24 hours a day, 7 days a week, and who shall be able to respond within 30
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9. Any other information as the Director deems reasonably necessary to administer this Chapter.

10. Acknowledgement and agreement that any and all use of the property for Short-Term Rental shall cease upon transfer of the property, expiration of the Permit, or revocation of the Permit, pursuant to Section 21.34.060.

11. Agreement to hold harmless, indemnify, and defend the city against any claims or litigation arising from the issuance or revocation of the Permit.

12. Agreement to pay any costs to enforce the conditions of the Permit, including, but not limited to any city authority response to verified nuisance complaints, or inspections of the Short-Term Rental Property.

14. Certification under penalty of perjury as to the accuracy of the information provided on the Permit application and agreement to comply with all conditions of the Permit and this Chapter.

D. Permit Application Process.

1. Processing Fee. The City Council, by resolution, shall specify from time to time, in its master fee schedule, the amount of the Permit application and processing fee, based upon the city’s reasonable estimated costs for processing and reviewing the Permit application materials and maintaining the Hotline. The Permit application and processing fee shall be non-refundable.

2. Numeric Limits on the Processing and Issuance of Short-Term Rental Permits. The City Council, by resolution, may adopt procedures to implement permit issuance, including the establishment of application periods, waitlists and/or grace periods for applicants already in possession of valid short-term rental business licenses, and may limit the total number of Short-Term Rental Permits available for issuance.

3. Review. Upon review of the materials submitted with the Permit application, the Director shall determine whether a Permit will be issued or the application is incomplete and notify the Applicant within 60 days. If the Director determines that the Permit may be issued upon compliance with certain conditions, the Director shall notify the Applicant in writing of the nature of the conditions that must be satisfied in order to receive a Permit. If the Director determines that the Permit should be denied, the Director shall notify the applicant in writing of the reasons for the denial. The decision of the Director may be appealed to the Planning Commission pursuant to the procedures set forth in Chapter 21.23A.

4. Permit Renewal. No earlier than 12 months and at least sixty (60) days prior to the expiration of a Permit, the Owner and the Authorized Agent, if any, of a Short-Term Rental shall submit an application to renew the Permit on a form available from the City, along with a renewal fee in an amount to be established by resolution of the City Council in the city’s master fee schedule. The Owner or Authorized Agent shall identify any notice of violation or concern (including any compliance or citation
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issued by the city) issued for the Short-Term Rental use during the Permit Term, and shall document how the violation or concern has been addressed. If the Director determines that any past violation or concern has not been adequately addressed, or that a history of past violations is detrimental to the public health, safety, or welfare, the Director may determine that the Permit is ineligible for renewal for a period of 12 months. The Applicant or any interested person may appeal the decision of the Director to the Planning Commission pursuant to the procedures set forth in Chapter 21.23A.

5. **Permit Transfer Prohibited.** No Permittee shall transfer, or attempt to transfer, a Permit to any other person.

**E. Permit Conditions.** Each Permit issued pursuant to this Chapter shall be subject to all of the following conditions:

1. The term of each Permit issued pursuant to this Chapter shall be for three (3) years. Permits must be renewed prior to expiration and must meet current density and separation requirements to be renewed. Upon the expiration or lapse of any Permit, it shall be of no further force or effect.

2. A copy of the Permit and Good Neighbor Brochure shall be posted in a prominent location inside the Short-Term Rental unit.

3. The Permittee shall require any Renter to sign an agreement acknowledging receipt of the Good Neighbor Brochure and agreement to comply with its terms. If the rental is through a third party hosted on-line platform, the Permittee shall require the third party to provide an on-line link to the Good Neighbor Brochure and a mechanism by which a Renter shall provide an acknowledgement of receipt of the Good Neighbor Brochure and agreement to comply with its terms.

4. The Permittee shall require Renters to utilize the designated on-site parking spaces prior to using on-street parking.

5. The Permittee shall enforce the (i) parking on public streets, (ii) overnight occupancy, and (iii) daytime guests of the Short-Term Rental property to the numbers specified in the following table:

### Table 21.34.030.2. Short-Term Rental Parking and Occupancy Limits

<table>
<thead>
<tr>
<th># of Bedrooms</th>
<th>Minimum On-site Parking (must be used prior to street parking)</th>
<th>Outside R-1 Zone: Maximum # of additional Vehicles Parked on Public Streets</th>
<th>R-1 Zone: Maximum # of additional Vehicles Parked on Public Streets</th>
<th>Total # of Overnight Occupants (9 p.m. to 7 a.m.)</th>
<th>Maximum # of Daytime Occupants (7 a.m. to 9 p.m.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 / 1 bedrooms</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>2 bedrooms</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>3 bedrooms</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>4 bedrooms</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>5 bedrooms</td>
<td>4</td>
<td>1</td>
<td>5</td>
<td>10</td>
<td>14</td>
</tr>
</tbody>
</table>

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Deleted: D
Deleted: ¶
Deleted: 0 bedrooms
Deleted: 1
Deleted: 1
Deleted: 2
Deleted: 4
Deleted: 4
Deleted: 2
Deleted: 6
Deleted: 9
Deleted: 2
Deleted: 8
Deleted: 12
Deleted: 3
Deleted: 10
Deleted: 9
Deleted: 1513
Deleted: 3
Deleted: 12
Deleted: 18
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5.a. Exception: The Director may approve exceptions to the parking requirements for short-term rentals with existing, non-conforming on-site parking deficiencies.

6. The Permittee shall provide access to the garage of the Short-Term Rental if the garage has been included in the determination of the number of available on-site parking spaces.

7. It is the intent of the city to enforce sections of the Streets and Highways Code related to the provision for emergency vehicle access. Accordingly, no limousine or bus parking, and no stopping without the driver’s presence, shall be allowed in any manner that would interfere with emergency vehicle access. In the event of an emergency, the vehicle driver shall immediately move the vehicle from the emergency vehicle access area. Stopped vehicles shall not idle engines longer than 1-minute.

8. The Permittee shall provide appropriate refuse and recycling service for the Short-Term Rental property. Property shall be free of debris both onsite and in the street. Refuse and recycling cans shall be maintained in a clean and sanitary condition, stored in the approved onsite location, moved to the pickup location no more than 24 hours prior to trash pickup, and returned to storage no more than 24 hours after pickup.

9. The Permittee shall post in a conspicuous interior location near the entry door, an informational sign for Renters with important notices, rules and regulations; immediate contact information for Owner/Agent, Police, and Emergency Services; Hotline telephone number; emergency procedures; site address; maximum allowed number of permitted overnight renters, daytime occupants, and vehicles; neighborhood quiet time regulations; and trash pickup instructions and trash pickup days.

10. The Permittee shall ensure that the Renters and/or Guests of the Short-Term Rental property do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of this Code, including but not limited to any City noise regulations including Chapter 9.07 (Prohibited Conduct);

11. The Permittee shall, upon notification that Renters and/or Guests of the Short-Term Rental property have violated any Permit conditions (including any unreasonable noise or disturbances, disorderly conduct, or violations of this Code or state law), promptly act to stop the violator(s) and prevent a recurrence of the violation, provided, however, that the City does not intend to authorize, and the City does not authorize, the Permittee to act as a peace officer or place himself or herself in harm’s way.

12. The Permittee shall not allow the Short-Term Rental property to be used for any gathering where the number of persons will exceed the permitted daytime occupancy limits, as set forth in this Section, unless an approved city use permit for a special event has been obtained.

13. The Owner or Authorized Agent must be available to respond to any nuisance complaints within 30 minutes, at all times when the Short-Term Rental is rented, 24-hours a day.
14. The Permittee shall allow the City, upon 24-hour notice from the city, to inspect, with cause, the Short Term Rental for compliance with the requirements of this Chapter. Permittee shall pay an inspection fee in an amount set by the City Council by resolution for the city’s master fee schedule based on the estimated reasonable cost to perform the inspection.

15. Within 10 days of permit issuance, the Owner or agent shall notify all neighbors that a Short-Term Rental Permit has been obtained. Notification will include a copy of the Good Neighbor Brochure and the owner’s name and phone number as specified in the following table:

<table>
<thead>
<tr>
<th>Zoning District</th>
<th>Minimum Notification Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-1 Zoning District</td>
<td>300 feet from property perimeter</td>
</tr>
<tr>
<td>Outside R-1 Zone</td>
<td>50 feet from property perimeter</td>
</tr>
</tbody>
</table>

16. No exterior signs related to the operation of the short-term rental shall be displayed.

F. Rental Agreements. The Permittee shall enter into a written rental agreement with the Renter of any Short-Term Rental property, or shall enter into an agreement provided by a third party hosted on-line platform, which agreement shall, at a minimum, include the following:

1. The name, address, mobile phone, text and email address of the Renter.
2. The terms and conditions of the rental agreement, including occupancy limits, noise prohibitions and vehicle parking requirements.
3. Acknowledgment by the Renter that he or she is legally responsible for compliance by all occupants of the Short-Term Rental and any guests with the conditions of this Section and the terms of the rental agreement.
4. Acknowledgment by the Renter of receipt of a copy of the Good Neighbor Brochure.
5. Acknowledgment and agreement that the City may inspect the Short-Term Rental property, for cause, upon 24-hours’ notice.

21.34.040 Occupancy and Guest Limits for Short-Term Rentals.
The number of overnight occupants and guests for each Short-Term Rental property shall be limited in accordance with Table 21.34.030.2, based on the number of Bedrooms identified in the Short-Term Rental Permit.

21.34.050 Short-Term Rental Hotline

A. The City shall establish and maintain a non-emergency Hotline telephone number for the express purpose of receiving complaints regarding the operation of any Short-Term Rental property, and forwarding those complaints to both the Owner and Authorized Agent, if any, for that Short-Term Rental property for immediate resolution of the complaint, and/or, if necessary, to the Paso Robles Police Department if the complaint has not been resolved. Owner/Authorized Agent will be responsible for paying any and all city costs incurred in response to the complaint. The Hotline number and the city complaint policy shall be included in all Permits, the Good Neighbor Brochure, and in all rental agreements for all Short-Term Rental properties. In addition, the city shall post the Hotline number on the city website.

B. The City Hotline shall maintain a record of complaints received on the Hotline that shall include the following information:

1. Date and time of complaint;
2. Nature of complaint;
3. Address of the Short-Term Rental property that is the subject of the complaint;
4. Complainant’s name, address and contact information (this information shall be kept confidential);
5. Actions taken by the Hotline attendant in response to the complaint including, but not limited to: persons contacted, including law enforcement, if applicable, and date and time of actions taken in response to complaint;
6. Corrective action taken by Owner/Authorized Agent in response to complaint.

C. Hotline Response

1. The Owner or Authorized Agent shall resolve the complaint within thirty (30) minutes of being notified of a complaint by the Hotline.
2. The Owner or Authorized Agent shall notify the Hotline attendant of the corrective action taken and results obtained within thirty (30) minutes of being notified of a complaint by the Hotline.
3. If the Owner or Authorized Agent believes the situation is un-safe, they shall immediately contact the Police Department for assistance. Proactively contacting the Police Department for assistance will not be counted as a permit violation.

21.34.060 Enforcement

A. Revocation of Permit. At any time during the term of permit, the Director is authorized to initiate proceedings to revoke a Permit (or pursue any other remedy set forth in Title
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of this Code), if the Director determines in his or her discretion that (i) the Permittee provided materially false or misleading information in any submittal required under this Chapter; or (ii) the Permittee has committed a total of three (3) violations of a combination of any of the violations specified in Section 21.34.060.B within any 365 day period; or (iii) the Permittee fails to maintain an active business license tax certificate per Chapter 5.04.

In the event the Director determines that any of the conditions described above exists, the Director is authorized to issue an order specifying the violations to be cured. If the Permittee fails to cure the violations identified in the order within the time period specified, the Director may pursue any of the remedies set forth in Title 1 of this Code, including but not limited to the issuance of an administrative citations, revocation of permit, criminal prosecution, and/or civil action in accordance with Chapter 1.03. The Applicant or any interested person may appeal the decision of the Director to the Planning Commission pursuant to the procedures set forth in Chapter 21.23A.

B. Cause for Revocation or Non-Renewal of a Permit

1. Failure to remit required fees and taxes.
2. Attempt to transfer of the permit to another owner.
3. Operation for other than the specific purpose of the property as a short-term rental including, but not limited to:
   a. Criminal activity, habitual public nuisance, or serial violation of the ordinance take place at, on, or with respect to the short-term rental property;
   b. Keeping of a disorderly place; that is, the ownership and/or management of any property purported to be a short-term rental where unlawful practices regularly occur will result in the loss of the short-term rental permit;
   c. Operation of the property for other than the specific purpose of a short-term rental including but not limited to allowing or taking part in dealing of controlled substances, gambling, pandering, or prostitution, or sub-letting for such illegal use or uses;
4. Keeping of a disorderly place, defined as one or more criminal complaints verified within a one-year period or two or more complaints requiring law enforcement response, also within any 365 day period;
5. The property constitutes a public nuisance pursuant to Section 9.06.030 of the Paso Robles Municipal Code. In addition to any other remedy allowed by law, the City may enforce the provisions of this Ordinance through the provisions Chapter 9.06 of the Paso Robles Municipal Code, including civil, criminal, and administrative abatement proceedings, as well as administrative citations pursuant to 1.03.020, and penalties.
6. Failing to comply with regulations specified (by written notice) all related corrective measures within a 30-day period;
7. Advertising the short-term rental and purposely not including in the advertisement display the short-term rental permit identification;
8. Failure to comply with the short-term rental occupancy and parking requirements;
9. Failure to maintain solid waste and recycling consistent with short-term rental requirements.

C. Operating without a Permit. Operating a Short-Term Rental without a permit is a violation of the Paso Robles Municipal Code and subject to the enforcement process and penalties of Section 1.03.020. Each Owner and/or Authorized Agent is guilty of a separate offense for each and every day during any portion of which the violation of this chapter or any rule or regulation promulgated there under is continued. The penalties in Section 1.03.020 are in addition to, and not in lieu of, any other available remedy at law. All remedies prescribed under this Chapter shall be cumulative and the election of one or more remedies shall not bar the City from the pursuit of any other remedy for the purpose of enforcing the provisions hereof or in the abatement of any public nuisance.

Pursuant to California Government Code Section 38771, the city council hereby declares the following condition to constitute a public nuisance: operating and/or maintaining a Short-Term Rental without a valid Permit.

21.34.070. Sunset Clause

This ordinance shall expire within three (3) years of the effective date unless the City Council has conducted a review of its provisions and either extended or amended the Short-Term Rental Ordinance.
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Section 7. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 8. Effective Date. This Ordinance shall be in full force and effect 30 days after its passage and adoption as provided by Government Code section 36397.

Section 9. Publication. The City Clerk shall certify as to the adoption of this Ordinance and shall cause a summary thereof to be published at least five (5) days prior to the meeting at which the proposed Ordinance is to be adopted and shall post a certified copy of the proposed Ordinance in the Office of the City Clerk. Within fifteen (15) days of the adoption of the Ordinance, the City Clerk shall cause a summary of the Ordinance to be published, including the vote for and against the same, in accordance with Government Code Section 36933.

INTRODUCED at an adjourned regular meeting of the City Council held on June 5, 2019, for first reading by the City Council of the City of El Paso de Robles, and adopted on the ___ day of ______, 2019, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

______________________________
Steven W. Martin, Mayor

Attest:

______________________________
Kristen L. Buxkemper, Deputy City Clerk
What else should I know?

It is important to be a good neighbor — whether you’re at home or on vacation. Please keep your neighbors in mind during your stay in Paso Robles. Compliance with these rules will assure that you and your neighbors will both enjoy your stay.

Disturbance or violations of the City’s Vacation Rental Ordinance could result in citations or fines from the City, or even eviction by the owner. Keep in mind, City residents have the right to call a 24-hour Vacation Rental Hotline to report violations of the rules outlined in this brochure.

Most importantly, we hope you enjoy your stay in beautiful Paso Robles! We are glad you are here! For information on things to do and see, please visit the following websites:

www.travelpaso.com
www.prcity.com/visit/
www.pasowine.com/visit/

City of Paso Robles
1000 Spring Street
Paso Robles, CA 93446
Phone (805) 237-3970
www.prcity.com
Paso Robles Good Neighbor Guidelines -

Welcome to Paso Robles
The City of Paso Robles welcomes you! We encourage you to review the important information included within this Good Neighbor brochure regarding your stay in a vacation rental.

Please remember that you are vacationing among many permanent residents who chose Paso Robles as a quiet and safe place to live. They, and the City, are looking to you to help preserve that special sense of peace and quiet.

In short, being a vacation renter means simply being a good neighbor.

Important Good Neighbor Guidelines

Parking
Please use the on-site parking designated for your rental only. If you need to park on the street, please park in front of the vacation rental. Never park in front of someone else's driveway or block a fire lane; your vehicle may be towed.

Occupancy Limits
Each short term/vacation rental is approved for a certain number of bedrooms, parking spaces and occupants. The following table reflects those limits. Your compliance with these limits is an important part of being a good neighbor to the surrounding residents and will be taken into account in the event that a complaint is filed.

<table>
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<tr>
<th>Number of Bedrooms (sleeping rooms)</th>
<th>Please park on the property to the extent possible – Limit Cars parked on the street as follows:</th>
<th>Total # Overnight Occupants (9 p.m. to 7 a.m.)</th>
<th>Additional Daytime Occupants (7 a.m. to 9 p.m.)</th>
<th>Total Daytime Occupants (7 a.m. to 9 p.m.)</th>
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<td>6</td>
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What you need to know
This brochure is intended to highlight a few ways you can be a good neighbor during your stay in Paso Robles. Please review these guidelines and make sure all your guest follow them.

Dogs
If your vacation rental allows pets, make sure they are on their best behavior. Be aware that barking or wandering dogs disturb neighbors. Paso Robles requires that all dogs be on leashes when they are outside. Cleaning up after your dog is also required.

For a list of dog parks and pet-friendly wineries and restaurants, go to www.TravelPaso.com.

Trash and Recycling
During your stay, please keep the rental property clean and use the appropriate container for trash (black can), recycling (blue can) and green waste (green can). Contact your owner if you run out of trash can space.

Noise
Enjoy your peaceful stay in the neighborhood and be mindful of your neighbors who are not on vacation. Please do not create noise disturbances or engage in disorderly conduct and remember quiet hours are from 10:00 p.m. to 7:00 a.m. A little consideration goes a long way. Most vacation rental complaints are a result of noise disturbances.

Complaint Hotline
Please remember that your neighbors have access to a 24/7 hotline to file a complaint should anyone in your party violate any of the rules listed here.

The homeowner or an appointed agent will be expected to respond to any complaint within 30 minutes or the Paso Robles Police Department will be called. Our officers can issue citations for violations of the City’s Noise Ordinance.
Notice of Public Hearing
City of Paso Robles - City Council

The City Council will hold a public hearing to consider the following Zoning Ordinance amendment concerning short-term rentals:

APPLICATION: Zoning Code Amendment (ZC.15-006) - Short-Term Rental Ordinance

Adoption of a code to regulate Short-Term Rentals (a.k.a. vacation rental homes) in all residential and mixed use zoning districts throughout the City. The code would include the following requirements:

- Ministerial permits for home-share and vacation rentals in all residential districts.
- Grant of all short-term rental business licenses submitted on or before July 16, 2019 for the purposes of issuing 3-year Short-Term Rental Permits.
- Allow homeshare permits to provide non-hosted accommodations for a maximum of 30 days per calendar year.
- Cap the maximum number of non-hosted short-term rentals in the R-1 District at 76 permits.
- Occupancy limits and parking requirements.
- Requirements to comply with "Good Neighbor" guidelines.
- Creation of a complaint hotline system to resolve neighborhood issues.
- Authorization of escalating fines for violations and other remedies as allowed by law.

APPLICANT: City of Paso Robles

LOCATION: All residential and mixed use zoning districts in Paso Robles.

ENVIRONMENTAL DETERMINATION: This application is Statutorily Exempt from CEQA consistent with Section 15301.b.3., that there is no possibility the activity in question may have a significant effect on the environment.

HEARING: The City Council will hold a Public Hearing at a regular meeting of the City Council on July 16, 2019, at 6:30 p.m. at the Library Conference Center, 1000 Spring Street, Paso Robles, California.

Questions about this application may be directed to the Community Development Department at (805) 237-3970 or via email at planning@prcity.com. Comments on the proposed application may be mailed to the Community Development Department, or emailed to planning@prcity.com provided that such comments are received prior to the time of the public hearing.

If you challenge the application in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council, or at prior to, the public hearing.

Copies of the staff report and complete ordinance pertaining to this proposed zoning code amendment will be available for review at the Community Development Department no later than the Thursday preceding the hearing (copies are available for purchase for the cost of reproduction). If you have any questions, please contact the Community Development Department at (805) 237-3970.

Sincerely,
Warren Tracy, Community Development Director
July 5, 2019

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