June 11, 2019 Agenda Item No. SS3

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Update on Short Term Lodging

ABSTRACT:

At the January 22, 2019 City Council Study Session, the City Council provided direction to staff regarding changes to the Short Term Lodging provisions of the Newport Beach Municipal Code (NBMC). Staff has completed the changes and included some additional regulations related to hosting platforms. Staff is asking for the City Council's input on the proposed ordinance. No formal action will be taken on this item.

RECOMMENDATION:

Provide comments to City staff on the proposed changes to the Short Term Lodging Permit ordinance.

DISCUSSION:

Since the January 22, 2019 study session, the 9th circuit court of appeals upheld the City of Santa Monica's short term lodging ordinance, which held the hosting platforms responsible for bookings that were not registered with the city. Staff has included the same provisions used by the City of Santa Monica into the City of Newport Beach proposed ordinance (Attachment A).

Changes were also made based on City Council's January 22nd Study Session comments that affect the operation of short term lodging properties. Some of the changes are: limiting the number of occupants in a unit, real estate broker representation if managed by a third party, update to property owner responsibilities, reducing the number of code violations before a permit is revoked, and closing permits if no longer in use.

Comments made by the City Council at the June 11, 2019 Study Session will be incorporated into the draft ordinance. Staff will return at the July 9, 2019 City Council meeting with a final ordinance for City Council's consideration.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A – Draft Ordinance Attachment B – Draft Ordinance - Redline