

Short-Term Rental Workshop Summary

The City of Paso Robles held a Short-Term Rental Workshop on November 4, 2015. Approximately 130 people were in attendance. Short-term rentals include vacation rentals which are homes or rooms in homes rented for less than 30 consecutive days, and are operated by companies such as Airbnb, VBRO, HomeAway, and others.

Of those in attendance, about half of the audience spoke in regard to their feelings towards vacation rentals in Paso Robles. Out of those that spoke, 42% identified themselves as owners of a vacation rental property, 50% identified themselves as neighbors of vacation rentals, with the remaining 8% identified as realtors, hoteliers, or others.

Comments transcribed from attendees were compiled and divided into two separate topic headings: 1) Vacation Rental Concerns and 2) Vacation Rental Support/Benefits. Under each of these two headings, comments were further split into categories based on the frequency these topics were mentioned. Comments from one attendee may have been broken up in to multiple topics as many attendees made different points that fell into different categories. The overall importance of the topics between those who identified as neighbors and those who identified as short-term rental owners can be seen in the word clouds below. The larger the word, the more often it was mentioned. A definition of each topic is included in Appendix A.

Short-Term Rental Owner/Other Comments Word Cloud

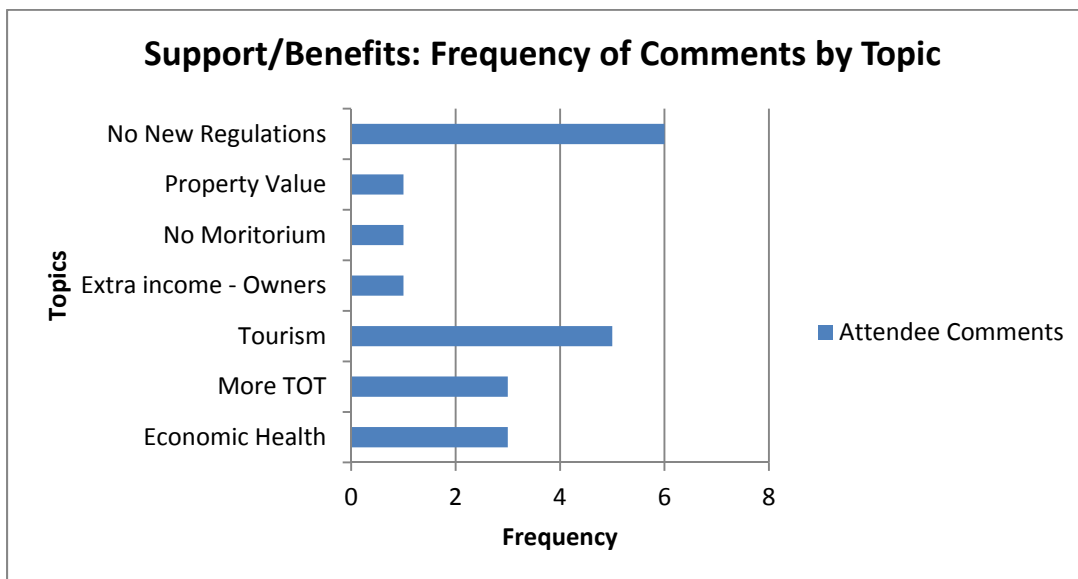
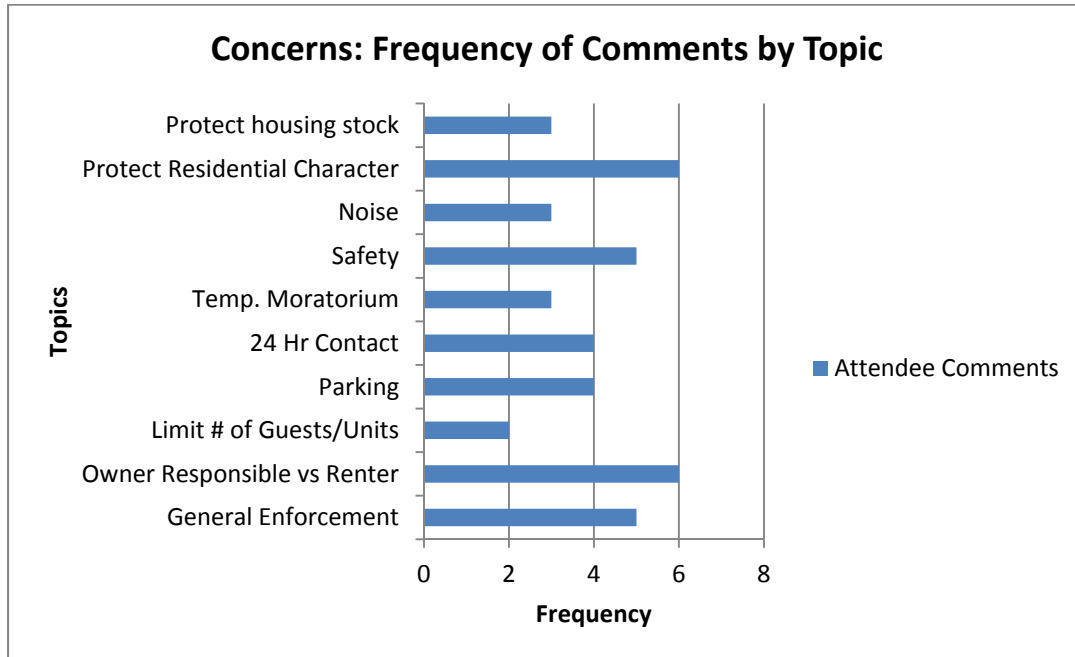


Neighbor Comments Word Cloud



I. Summary of All Short-Term Rental Comments

The graph below provides a visual summary of the frequency of comments per topic divided into comments that mentioned the benefits of and support for short-term rentals, and comments that mentioned concerns.

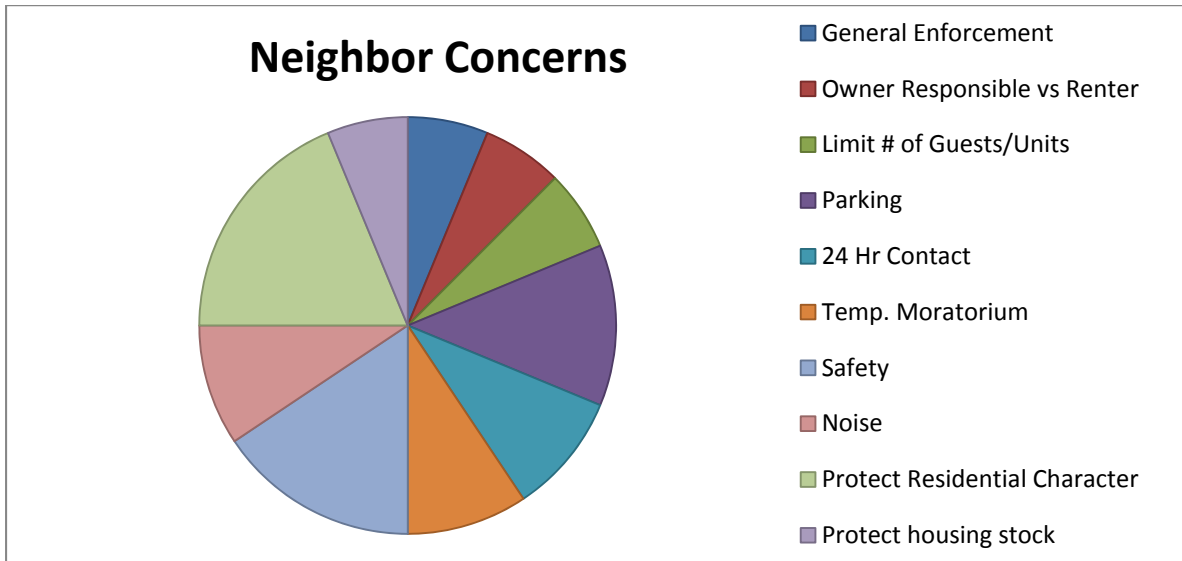


Protecting Residential Character and Property Owner Responsibility vs Renter Responsibility mentioned more often, with six mentions each, followed by General Enforcement and Safety with five comments. The highest number of comments in support of short-term rentals mentioned using existing enforcement policies and regulations to address disruptions and neighborhood conflicts. The second most frequent topic mentioned was Tourism, followed by support for more Transit Occupancy Tax (TOT), and increasing the overall Economic Health of the City.

II. Short-Term Rental Concerns

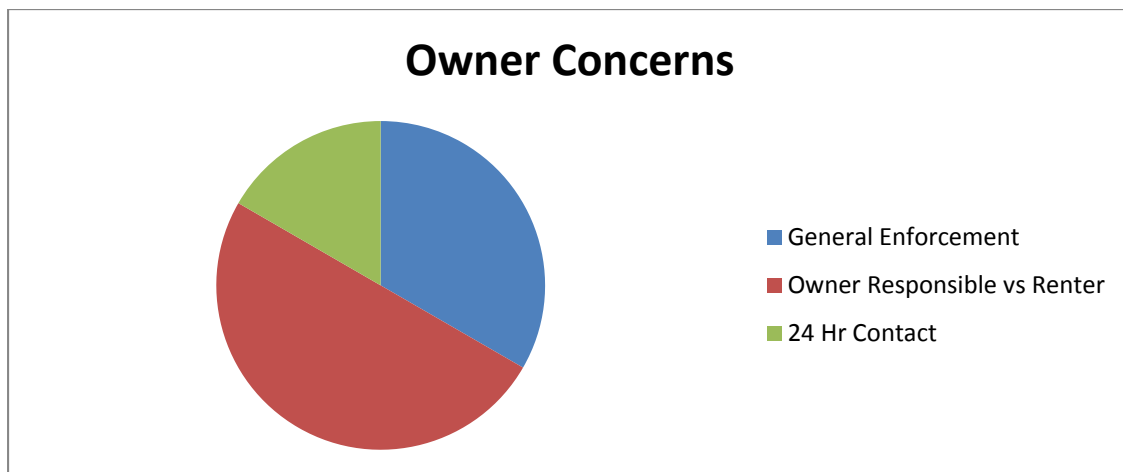
Neighbors

A review of comments identified 10 topics of concern for neighbors of short-term rentals in Paso Robles. The three topics with the most frequent comments were, in order of importance, 1) Protect Residential Character, 2) Safety, and 3) Parking.



Owners

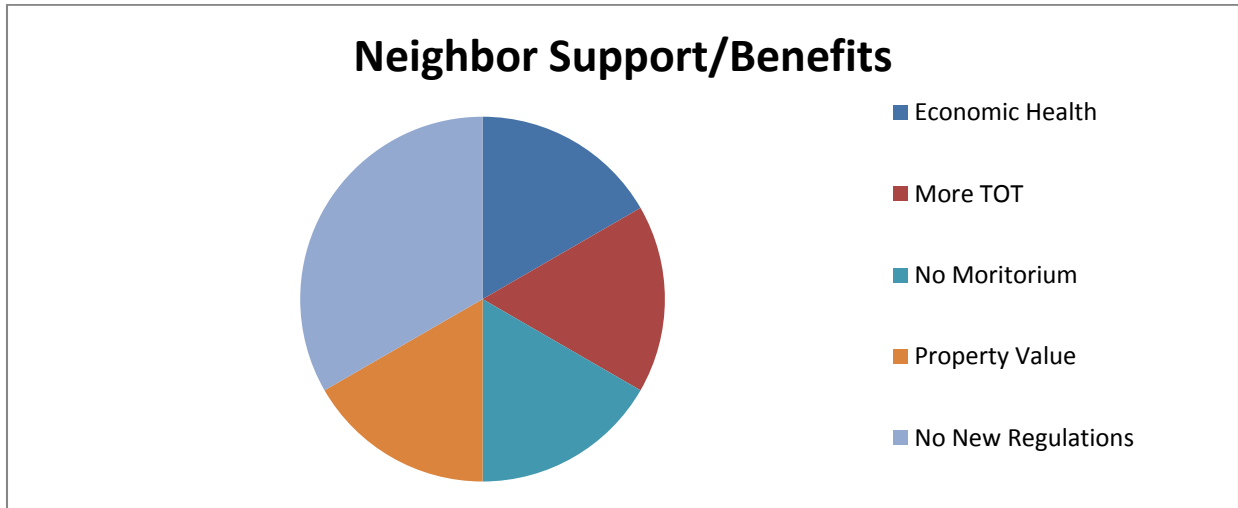
Comments by owners identified three topics of concern for owners of vacation rentals. In general, owners wanted to see general enforcement that all owners were held accountable to, and that contact information for the owner or property manager is made available to neighbors for complaints.



III. Short-Term Rental Support/Benefits

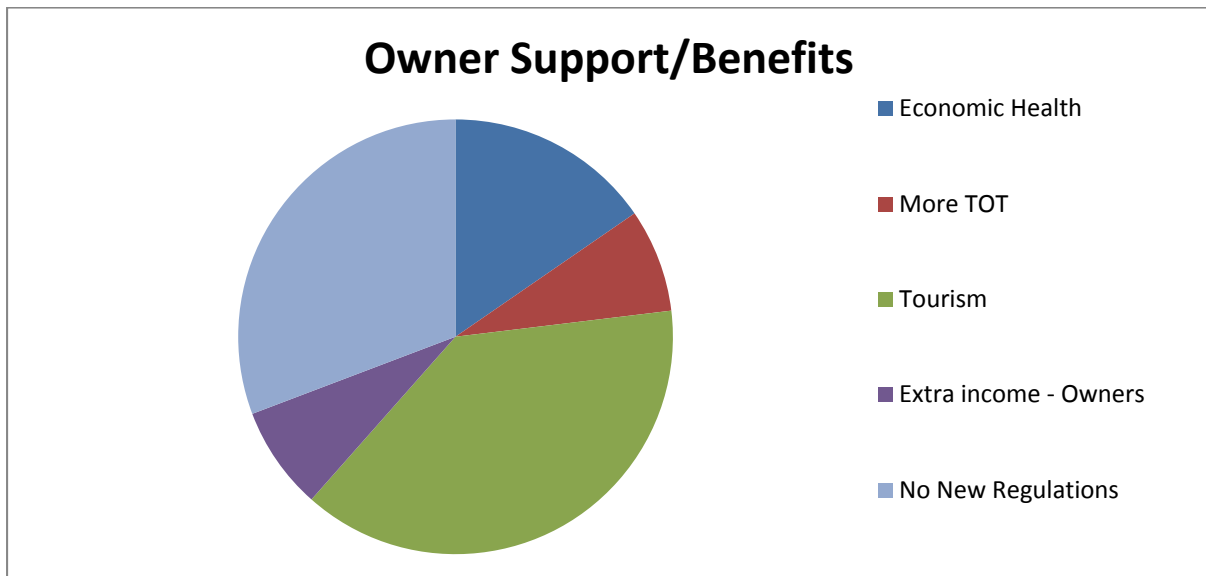
Neighbors

A review of comments identified 5 topics of support for neighbors of vacation rentals in Paso Robles.



Owners

A review of comments identified 5 topics highlighting support and benefits for owners of vacation rentals in Paso Robles. Tourism was the most frequent followed by Economic Health and maintaining current enforcement as opposed to adding new regulations.



APPENDIX A

TOPIC DEFINITIONS

Economic Health: Comments that mentioned positive impacts to economic health and the city's economy

Extra income-Owners: Supplemental income for owners to be able to pay mortgage

General Enforcement: Comments regarding adding additional enforcement policies for vacation short-term rental regulations.

Limit # of guests or units: Comments suggesting the City limit the number of guests or units

More TOT: Comments regarding additional TOT, paying TOT, TOT to fund more PD resources, urging current operators of vacation rentals to pay their TOT

No New Regulations: Any comments that supported current guidelines and rules, using current code, no problems, don't over-regulate, free enterprise, etc.

No Moratorium: Comments that disagreed with a moratorium on new vacation rentals

Noise: Any mention of parties, noise, or late hour noise concerns

Owner Responsible vs. Renter: Comments concerning whether the owner should be held responsible for any violations or the renter.

Parking: Any comment with a mention of parking issues or parking concerns

Protect Housing Stock: Comments that suggested cap on number of rentals, cap on income, or workforce housing

Protect Residential Character: Comments regarding residential character, loss of community, property value concerns, enjoyment of property, or residential zoning

Property Value: Comments that mentioned vacation rentals will increase property value.

Safety: Comments that mentioned overcrowding, harassment, predators, transient concerns, or threats from occupants of vacation rentals.

Temp. Moratorium: Any comment that agreed with enforcing a moratorium on all new vacation rentals until policy is updated or decided upon.

Tourism: Comments that mentioned tourism, meeting the needs of larger families, new ways of travel, the Paso experience

24 Hr. Contact: Comments that mentioned requiring a property manager number, or after hours number be available for neighbors to deal with complaints; any mention of alternative response other than the police department

COMMENTS PER TOPIC

Key

	Owner
	Neighbor
	Other

Support/Benefits

Economic Health	Economic health – need housing	Huge economic impact	Important for our economics	Think of the visitor and economy	
More TOT	Homeowner pay additional tax	I pay TOT	All paying TOT able to hire more PD	Urge those who operate to pay	
Tourism	tourism	larger family units	Provide alternative to hotels	new way of travel where people want an experience.	share the warmth of Paso
Extra income - Owners	Lost job and needed extra income to pay the mortgage				
No Moritorium	Don't agree moratorium				
Property Value	improved my property value				
No Change in Enforcement	no problem with guidance and rules	Use Current Code.	no problems created for my neighborhood. Don't lump us in with hotels, we are not.	Shouldn't be over regulation	Need procedures not rules

Concerns

General Enforcement	Yes, we need standards in place	Having rules of the house and passing on “fines” to visitor	Garbage problem	should be paying the 10% TOT + 2% BID	Needs to be clearer what the regulations are that apply		
Owner Responsible vs Renter	Owner should enforce that/those rules.	Ticket the property owner for calls and violations & escalate fines	on owner to be actively involved in compliance	We are the responsibility who we attract into our home.	burden should be on the prop. Owner	Citation should go to the renter	Citations should go to both the owner and the renter
Limit # of Guests/Units	Limit # of guests/ or # of rooms	limit on # of units					
Parking	No on street parking	Are ordinances for parking and noise already	driveway, parking in front of front door.	Don’t know how to address parking problems.			
24 Hr Contact	24 hour contact # for neighbors	resource enforcement – police may not be the best use of them	At 2am who do you call?	prop management <u>should</u> call the owner at 2am!!			
Temp. Moratorium	Temporary moratorium until guidelines set	Moratorium excellent idea until rules are decided	Support moratorium				
Safety	harassed in my home from vacationers	Concerns if transients are predators	<u>Safety</u> is my concern if I complain	Been threatened by them	Safety issue with overcrowding.		

Noise	alcohol/parties are root of problem	Are ordinances for parking and noise already	They're transient and party hard/late				
Owner Occ vs. Vacant	Owner occupied rules maybe should be different than vacant/absent owner rules						
Protect Residential Character	residential zoning should be there to protect the residential use/character	Thought we were a community neighborhood	Property value	Property value question	A rental (Airbnb) in a residential district is a "hotel."	Can't enjoy my yard	
Protect housing stock	Consider putting a cap on the VRBO income to be equal to that for long-term rentals	long term rental problem is worse and harder to get rid of	Work force housing				

APPENDIX B:

TRANSCRIPTION OF WORKSHOP NOTES

- O: Whether you'll be treated any different now as operator than before
- N: Economic health – need housing, 350 short term and 10 long term work force housing
- N: West Paso Quality of life;
 - o limit # of guests/ or # of rooms
 - o No on street parking
 - o 24 hour contact # for neighbors
 - o Homeowner pay additional tax to city
 - o Temp. moratorium until guidelines set
 - o Consider a taskforce to assist with homeowner representative out of 8 homes – 2 VRBO
- O: Future, wondering if I'll be able to use my guest house for a VRBO in future
- N: Gary Dunnivan – I've been harassed in my home from vacationers; alcohol/parties are root of problem
- O: Future operator. Understand frustration with change and if I had bad neighbor breaking rules there's already an ordinance/rule, call police. I had bad tenant problem before. Neighbors mad, but resolved, no problem with guidance and rules
- N & O: Operate VRBO and live in neighborhood with them. Huge economic impact from tourism. Are ordinances for parking and noise already? Concerns if transients are predators. Uniting not dividing conversation. How to make this the best place to visit in a controlled/balanced way. Operators need to be better communicators to the visitor. Hotels should consider accommodation for larger family units. Moratorium excellent idea until rules are decided. Enforcement concern. I had to put in curbs, gutters, and other parking upgrades... VRBO units should do the same. Online forum for discussion. Documents in library. Spring grand jury report as resource enforcement – police may not be the best use of them. Palm springs – hotline link.
- N: VRBO next to us – very nice, but others residential zoning should be there to protect the residential use/character. Want to understand how any “commercial” use ever got started in the 1st place. Support moratorium.
- N: Hilltop residence – within 8 house radius there are ____ VRBO. Feel like I'm living in a “frat like” neighborhood. They're transient and party hard/late. At 2am who do you call?
- N: Red Cloud – homes close together. Thought we were a community neighborhood. Make shift circular driveway, parking in front of front door.
- O: Have Casitas in front. Lost job and needed extra income to pay the mortgage. Nice (wealthy) clientele. Lotus, BMWs. Lifelong friends – concierge recognition. I want to bring my unit into compliance (I'm one of the 2/3 not in compliance)
- N: I moved into a neighborhood, but now 6+ VRBOs. Safety is my concern if I complain. Balance of shooting myself in the foot to push to prohibit may reduce/limit ability to see and retain property value to convert to VRBO
- N: Don't agree moratorium. Yes, we need standards in place. VRBOs in my neighborhood have improved my property value. They're good people. Maybe escalation of enforcement. Check your CC&Rs and enforce them. Don't strangle hold the VRBOs. Use Current Code.

- N: Selling my home. Do I have to disclose I'm next door to a VRBO? Don't know how to address parking problems. Property value question.
- O: I operate a VRBO and pay TOT. Owner occupied rules maybe should be different than vacant/absent owner rules. We vet the visitor since we are there on site.
- O: Manage family's VRBOs. I'm a realtor. There is the good with the bad. Police don't have the resources. If all were paying TOT as they should perhaps be able to hire more PD resources to keep VRBO in order. Important for our economics. Don't lose sight of that.
- O: Lauren Lekai – Having rules of the house and passing on “fines” to visitor (e.g. smoking is a \$200 fee automatic) perhaps same for noise issues
- N: A rental (Airbnb) in a residential district is a “hotel.” Apply the same standards of hotel to the VRBO to see if it can work. Good luck.
- O: Standardize contract between operators re: noise etc. might be a good idea
 - o As traveler – like the option to experience the City and not the hotel. Sometimes hotels are too full. Think of the visitor and economy. Don't be too stringent. It's the responsibility of the guest to be a good guest. Owner should enforce that/those rules.
- N: Kept a log of how many times they've called police on 2 units on each side. Can't enjoy my yard. Been threatened by them the next morning. Bring barking dogs. The BMW owners are no better than use, they're the worst. Garbage problem and don't shut the lid.
- O: Accommodated families – flood victims or during a move transition – so remember that we serve local people/citizens as well.
- N: 8 houses on our cul-de-sac. Surrounded by neighbors. It's all about \$\$\$. Consider putting a cap on the VRBO income to be equal to that for long-term rentals – *BIG REACTION FROM OWNERS*.
- O: Freson operator – no problems created for my neighborhood. Don't lump us in with hotels, we are not.
- O: If owner creates the right tone, the visitor will be respectful. I'm on site. Analogy to a hotel manager, can call the room and tell them to knock it off. Better prop management should call the owner at 2am!! Ticket the property owner for calls and violations & escalate fines. 2/3 noncompliance is terrible. If you create moratorium it compounds the challenge of people going underground. Shouldn't be over regulation. It will drive more people underground. Don't move people underground. Don't need new regulations. Need to train our police how to write the ticket.
- N: VRBO Agencies are different than the independent operator. It's incumbent on owner to be actively involved in compliance. Agree it should be simple. I call the VRBO agency rep, not the police. Overcrowding of small units (8 in small 1940s bungalow). Have a proper contract.
- N: Balance is needed. How many of noncompliant are absentee owners?
- N: Need procedures not rules. Past can't sit in judgement of our future. Pleased that City Council is doing this and after procedure in place let's do this again in 2 years to see if it's working and help us become a better community.
- N: I'm R-1 and the neighbor is running a commercial business next door. Safety issue with overcrowding. City is doing nothing about this.
- N: I want to tell a story about a cat.
- N: Property manager should perhaps have limit on # of units they manage. The 351 units should be pretty easy to target for enforcement.

- O: Provide alternative/service to working group of people who need place to live (eg. Traveling nurses or doctors)
- Realtor: If you eliminate short term rental option, then you'll turn them into a long term rental problem, which is worse and harder to get rid of. Can weed out the undesirables.
- O: Rent executive suites, clientele are high end and units have high deposit. Great atmosphere for all cultures to meet each other. We are the responsibility who we attract into our home. Pricing, ect... This is a new way of travel where people want an experience.
- Realtor: VR huge part of our community. The burden should be on the prop. Owner or property manager to vet visitor. Can't control people, need to control owners
- N: Encourage reading 14 page grand jury report. Identifies lots of revenue and licenses/permits process and addressing density limitations (eg. No two together)
- O: If you don't like your neighbors, then buy all those properties up around you. This is free enterprise.
- O: I'm an operator but not of 80 on my own. Have 10 employees. How do we share the warmth of Paso and create balance noise complaint from my renter about a neighbor's noise.
- N: A noise violation to the property owner doesn't keep the renter from doing it again. Citation should go to the renter
- Hotel: no threat to hotels by these VRBOs, but urge those who operate should be paying the 10% TOT + 2% BID. The hotel making dollars are being used to market BnBs and VRBOs so you should be helping on this cost and pay for additional policing.
- N: Citations should go to both the owner and the renter.
- O: rather than moratorium city should take steps to bring current noncompliant units into compliance quickly – example: Coachella = \$5K if found out of City
- O: Needs to be clearer of what the regulations are that apply
- Debbie Thomas: Brings in business, but each rental should be managed by someone in Paso, they should pay taxes, etc. and contracts should be created and deposits secured. Rights to rent could be revoked after three complaints???

FLIP CHART NOTES:

- Don't treat VR application different than present process
- Economic health – housing available/workforce schools
- Quality of life preserved:
 - o Homes in neighborhoods
 - o Limit # of guests (# of rooms/Residential standards) X
 - o No on street parking X
 - o 24 hour contact # X
 - o Let neighbor know before establish vacation rental
 - o TOT – extra fee
 - o Temp moratorium until new regulations in effect XX
- SFR vs Guest houses as rental
- Behavior of guests (noise, alcohol) XX
- Use existing Regs to deal with nuisances X
- Fair regs for all

- Good neighbor clause in agreements X
- Economic impact increase tourism X
- Megan's Law
- Neighbors – Residents set local expectations
- Hotels consider large families
- Problems with existing enforcement of City
- Frontage improvements for all VR
- Not too restrictive regs
- On-line discussion group for public participation
- See Grand Jury VR Report (Last Spring) X
- PD Enforcement stresses PD Resources X
- Residential zones and regs to protect residential zones? How can VR CR uses go in Res. Zones?
How allowed? X X X
- Hilltop area – “Frat” feeling
- Concerned with strangers, parking, trash X X
- Some VR get quality guests – good people X
- Helps pay mortgage
- Over concentration changes character of neighborhood
- Concern with safety to complain
- Need new standards to address issues
- VR improve neighborhood quality
- Don't want moratorium X
- Too restrictive → strangle hold
- Use CC&Rs if have them
- Would VR decrease value of other homes?
- S/B diff. regs for owner occ vs. non-owner occ units?
- Citywide rate structure?
- Fine structure for VR different than City wide
- Penalty enforced by VR owner
- Consider hotels & CR Rgs to determine those that would work in Res. Zone
- Community standardized VR contract
- Guests enjoy VR neighborhood vs. hotel experience
- VR ensure guests have “High Ratings”
- Afraid of bad guests (Retribution)
- Help for people dealing with flood, construction, etc.
- VR increases cost of housing, cap?
- Don't lump VR with hotel X
- Owner S/B responsibility for quality of guest behavior → same as hotel
- Ticket should go to P.O → inc. \$\$ ticket
- Moratorium unenforceable
- No new regs for nuisances already regulated
- Rental agency also needs to be responsible for nuisances
- Absentee owners hard to balance local needs

- Good neighbor “procedures,” report back often in place for a couple years
- Cap # of homes a single manager can manage
- Increase enforcement for VR
- Smaller units preferable b/c get better people
- Provides a service to short term workers / R.E. closer
- Long term rentals can be more problematic
- VR contracts S/B tight, Regs, \$ cleaning, price can weed out undesirable
- VR owners should ask purpose of visit
- Limit distance proximity/prevent over concentration
- Control issue? Buy houses around you
- Don't hold tourists to a diff standard than residents who can also be unruly
- Hotelier – “no threat” to business
- Collection of TOT; fair if VR pay fee since benefit and will help market & PD service
- Enforcement; cite both owner and occupant
- City Council – fine for non-compliance soon
- Make regs clean to find info
- Amnesty period for compliance