CITY OF DANA POINT PLANNING DEPARTMENT STR MANAGEMENT COMPANIES STAKEHOLDER ACTION MINUTES

City Hall

Date: August 16, 2021 33282 Golden Lantern Time: 4:05 p.m. – 5:05 p.m. Dana Point, CA 92629

CALL TO ORDER STR Management Companies Stakeholder Meeting

Eric Nelson called the STR Management Companies Stakeholder Meeting to order at 4:05 p.m.

ROLL CALL

<u>Staff Present:</u> Brenda Wisneski (Director of Community Development), Patrick Munoz (City Attorney), Jennifer Farrell (Deputy City Attorney), Jeff Rosaler (Community Development Manager), Johnathan Ciampa (Senior Planner), Allison Peterson (Senior Administrative Assistant)

Subcommittee Members Present: Eric Nelson, Roy Dohner

<u>STR Management Companies Stakeholders Present:</u> Carla Moore, Jeff Perry, Miriam Rupke

ITEMS COVERED IN PRESENTATION

- 1. Introductions & Update Subcommittee Member Nelson
- 2. Summary of recent court case City Attorney, Patrick Munoz
- 3. Process for Evaluating STR Regulations Senior Planner John Ciampa
- 4. STR Statistics Senior Planner John Ciampa
- 5. Stakeholder Recommendations for STR Regulations Subcommittee Member Nelson
- 6. Questions and Answers Subcommittee Member Nelson

MEETING COMMENTS

Miriam Rupke stated that STR types should not be differentiated by zones. She said none of the properties she has managed, nor what she owns, is a home stay. She stated home stays are a fraction of overall permits, and only allowing home stays in specific zones will eliminate a large amount of STRs. Miriam believes that STRs should not be limited to just the coastal zone. She said that we have a small number of permits in comparison to neighboring cities, and we have a good system in place, especially with the recent changes.

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Jeff Perry agreed with Miriam that STRs should not be defined by type and limited by classifications and zones. He said that owners' needs change, property uses change, and it would not be fair to eliminate their STRs based on these changes. Perry said he represents several property owners that are eager to transfer to weekly rentals. He also would like STR permits to be transferable.

Miriam Rupke stated that the City of Newport beach allows STR permits to be transferred. She would like current permit holders to be grandfathered in to a new program. Miriam is opposed to limits by zones and districts, and she is open to a reasonable cap.

Jeff Perry commented that people purchase homes based on what they can afford and eliminating STRs on the basis of types and categories is unfortunate because it could be taking from people's wants and needs. He would like the financial affordability to be considered.

Miriam Rupke agreed with allowing permit transfers as it improves the marketability of homes.

Patrick Munoz said whatever the rules are at the time of an adoption, and whether a home is inside or outside of the coastal zone, is something that home sellers should be paying attention to in terms of transfer changes and how that may impact disclosures.

Carla Moore said it would be a big asset to allow STR transfers so long as properties are in good standing. She suggested stating a future date for transfers so potential new owners can get prepared to meet the necessary qualifications.

Miriam Rupke questioned the purpose of classifying STRs. She believes that proper STR management is what makes a STR appropriate. Miriam is opposed to home stays as she feels this will attract younger crowds.

Jeff Perry commented that maximum stays are not necessary and too restrictive.

Carla Moore agreed with Jeff Perry. She also said 8.8% of the current STRs is where the focus is right now, and these types of STRs limit the owner's ability to earn income. Carla believes the focus should be on non-primary STRs.

Patrick Munoz clarified that if a home has a STR rental permit, there is no requirement to rent the home out short term. He said the thinking behind classifying STRs is to reduce the potential for nuisance problems. Patrick also stated there would potentially be different rules behind each classification.

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Carla Moore stated she can see putting a cumulative number cap on STR permits and not classifying permits at all. She also believes HOAs are going to take care of limiting STRs.

Miriam Rupke agreed with Carla Moore. She reiterated that she does not see the need for limitations. She emphasized that management is what is important, and permits should be revoked if a STR is not following the rules.

Carla Moore said she thinks some of the opposition for STRs is that it takes from long-term renters, making it difficult for year-round tenants to find property. She believes that homeowners should determine what the best use is for their property.

Brenda Wisneski confirmed Carla's thoughts on the orientation of the potential provision, and she stated that it came from Housing Advocates. She said that point of view being presented is the potential to have one property owner and an entire building becoming STRs. She believes having a provision on multi-family properties would be wise.

John Ciampa went over next steps.

ADJOURNMENT

Eric Nelson adjourned the meeting at 5:05 p.m.