

**Housing and Human Services Commission Meeting
July 22, 2015**

Issue Discussed: Short-term Rental Study Issue

Staff presentation

Commission questions:

1. What type of insurance do hosts require?
2. What type of fees is considered?
3. Parking concern
4. Permit process questions

Public Input:

1. Jennifer Martin:
 - a. Discussed her neighbor issue
 - b. Problem with defining short-term as 30 days
 - c. May be more than 30 days, but a rapid turnover can still cause a problem
2. Lorraine Heng:
 - a. She paid TOT not knowing she shouldn't
 - b. Has an unhosted home, says she has a permit for a rental
 - c. She has found that longer-term renters create more problems than short-term because the house is cleaned up after each visit of a short-term renter
3. Linda McGahan:
 - a. She has a hosted rental through Airbnb
 - b. Airbnb collects the money, guests are verified through Airbnb, photos are provided
 - c. Most of her guests don't drive, so parking is not an issue.
4. Dan Paustian:
 - a. Sunnyvale should embrace this business model
 - b. Has an unhosted rental. Doesn't need the City to tell him what's best for his home.
 - c. Carries special insurance
 - d. Wants to use his home as a corporate rental
 - e. Avoid over-regulation? Allowing hosted but not unhosted.
 - f. Let the market decide
 - g. Stated he has never received complaints from his neighbors
5. Theresa Heng-Perri:
 - a. Likes the unhosted model
 - b. Advantages to short-term rentals is that it is cleaned regularly, long-term renters tend to run a place down
 - c. Likes having a best practices list
 - d. Limiting to just hosted could increase the number of cars because you would have the guest's cars plus the hosts.
 - e. Feels hosted only is over-regulating the use.

6. Stacey McGowen:
 - a. A realtor and proponent of the free market
 - b. Long-term renters and slumlords can have worse impact than short-term renters
 - c. A higher turnover has less wear and tear on a house
 - d. San Jose requires multi-family owners to take a class on how to be a good property manager
 - e. Allow people to use their home
 - f. Teach and test people on how to be a good landlord

Public Hearing closed- HHSC discussion

Commissioner comments:

Chiu:

- Maybe require a homeowner or property management company for unhosted units to help enforce local laws and be the point person for DPS
- No TOT, look for other fee structure options (based on economic need)
- Consider a limitation using the number of people per bedroom

McCloud:

- Can't use the best case situations for rules
- Need to address all situations, including those less likely to follow rules
- Not outlawing, regulating
- Agrees with staff proposals

Gilbert:

- Has been a guest and wondered how the neighbors felt about her family being on site
- City should have some degree of control
- Have a widely publicized number to call for enforcement
- Require training for hosts
- Limiting to 4 too small a number
- Use existing processes as much as possible
- Regulate based on the number of people per room
- Each short-term rental needs to be able to handle it's own parking

Motion- Chiu/McCloud

1. Allow hosted and unhosted, provided property management for unhosted
2. No limit on number of days allowed per year
3. No limit on type of residential properties
4. Require TOT
5. Require permit fee- staff to determine proper amount to aid in enforcement
6. Codify the requirements
7. Require property owner signature for short-term rental applications
8. Issue over-the-counter permits- make as simple as possible
9. Permit issued in perpetuity
10. No notification of permit issuance
11. Appeals: Two felt there should be an appeal option, two felt not.

Motion passed 4-0 (3 absent)