

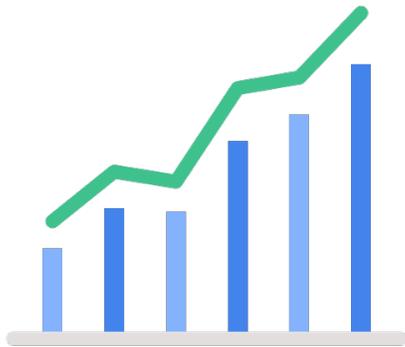
Consideration of Short-term Rentals

City Council Meeting

June 16, 2020

Why are we here?

- The rise in short-term rental activity over the last decade



- Municipalities have responded by either banning or creating new regulatory systems to allow short-term activity

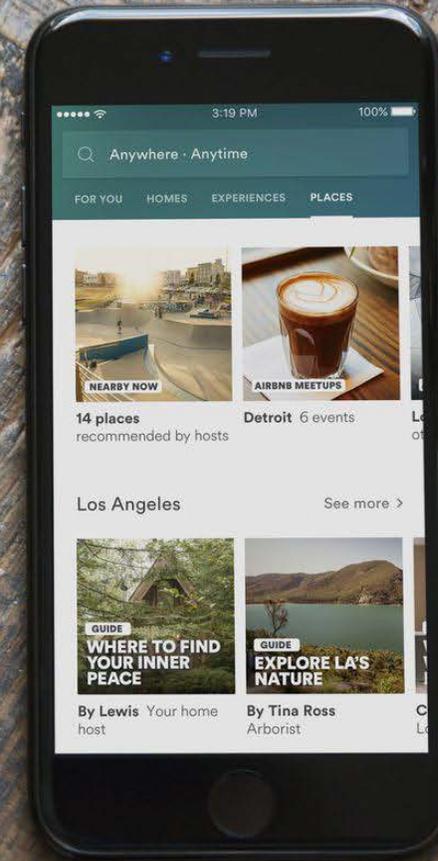
- Burbank has no regulatory system addressing short term rentals

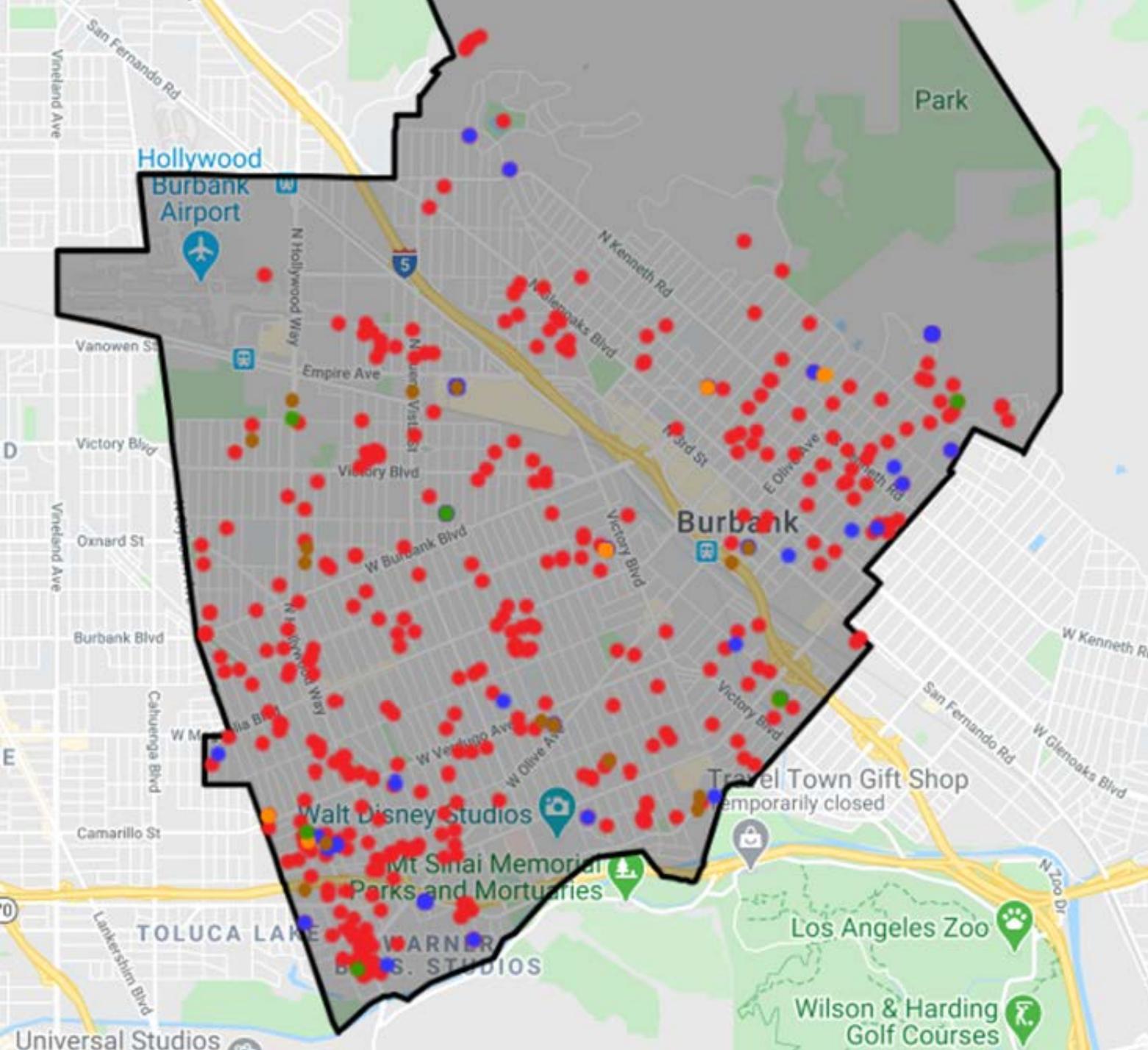


Nexus with Economic Development

Adopted Economic Recovery Plan
Policy #6

Helping Burbank's tourism industry recover by promoting and marketing our hotels, restaurants, the Hollywood Burbank Airport, and other local destinations.





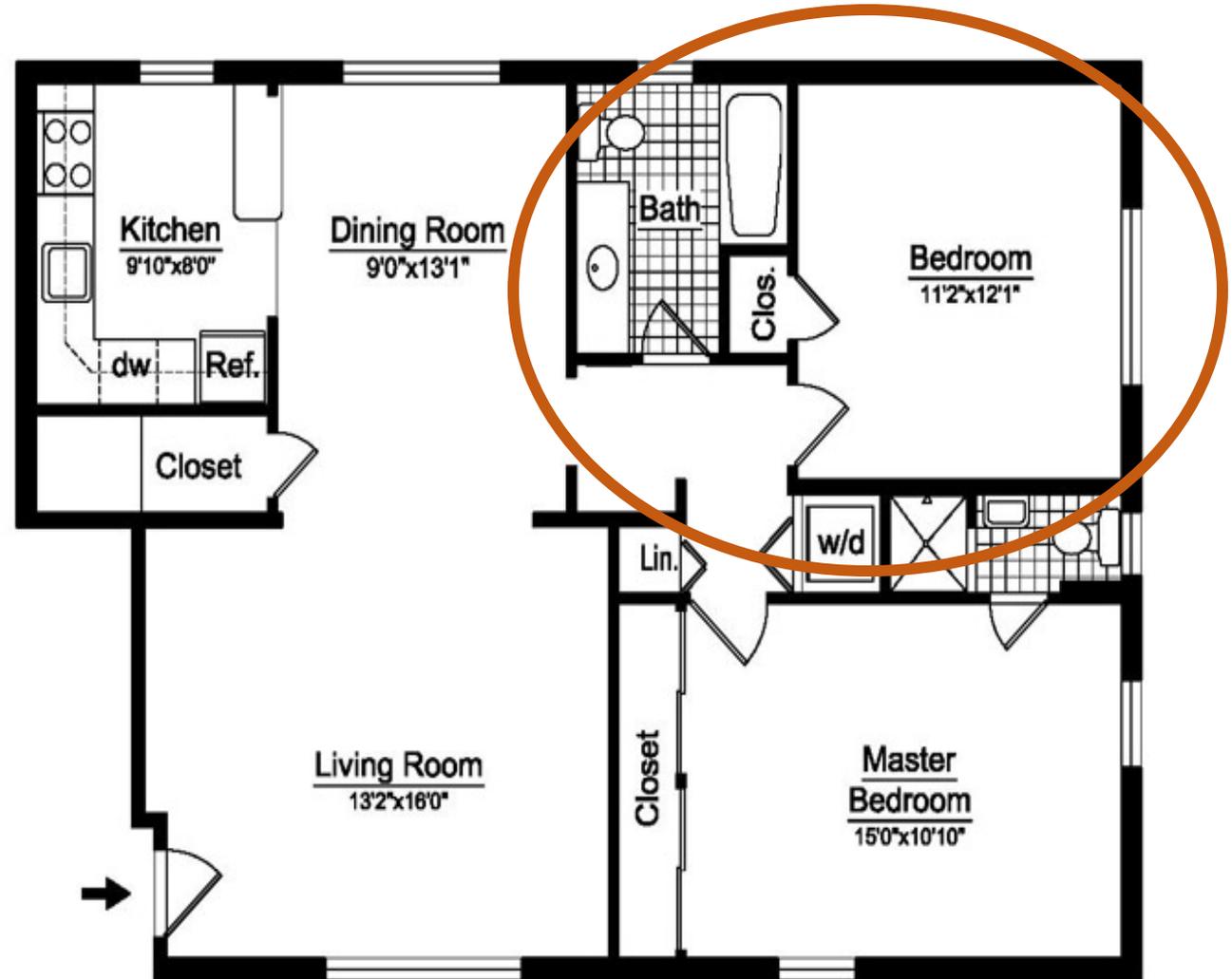
Why are we here?

- Estimated 400-500 listings

2019 Data

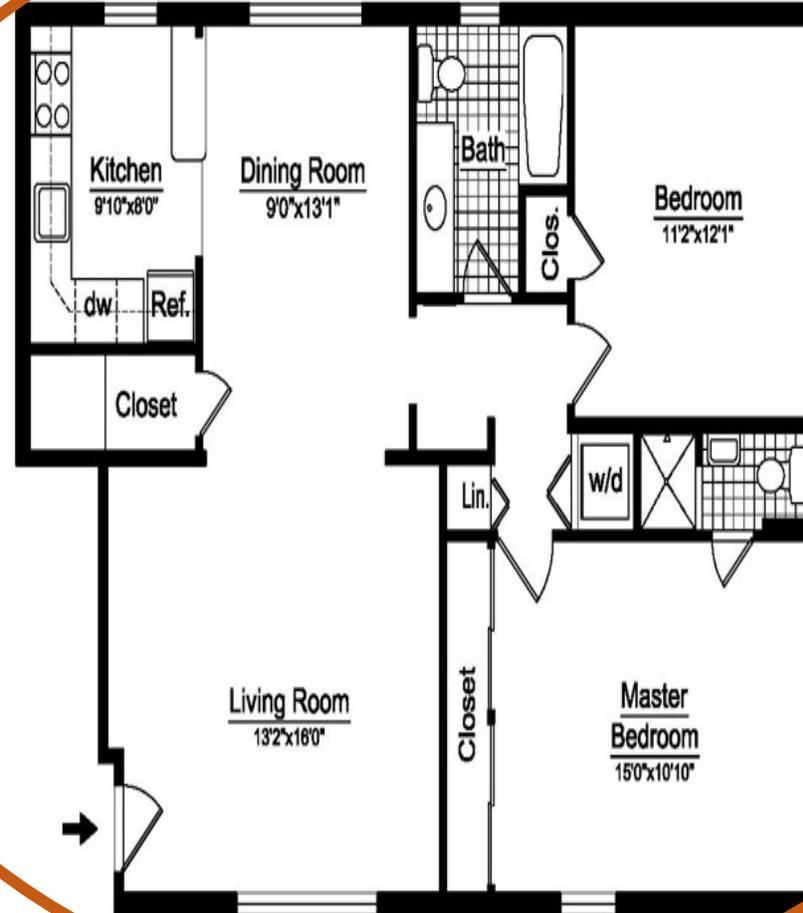
Types of STR

- Home-Sharing
 - Room(s) in the unit or an accessory structure is rented
 - Owner present



Types of STR

- Vacation Rental
 - Entire unit is rented
 - Owner absent



Pros and Cons

Pros

Extra \$ for homeowners/renters

Increases hotel stock

Economic spark to non-tourist neighborhoods

Cons

Decreases housing supply and increase rents

Noise and parking issues

Harms existing hospitality industry

Regulation

Regulations
are
necessary

Clearly
defined rules

- Benefits to operators, visitors, and the City

City can
mitigate
noise,
parking, and
housing
supply issues

City can
collect
transient
occupancy
tax

Staff's Recommendation

- Provide policy direction and input for a proposed short-term rental ordinance.

Survey of Neighboring Cities

City	Allow?	Number of STRs	TOT Revenue Per Year
Beverly Hills	Permit	Unknown	Unknown
Glendale	Permit	Regulations in effect as of 6/1/2020	
Los Angeles	Permit	21,240	\$50,000,000 +
Pasadena	Permit	222	\$771,093
Santa Monica	Permit	355	\$2,200,000
West Hollywood	Permit	579	\$67,720



Glendale, Santa Monica, West Hollywood

	Glendale	Santa Monica	West Hollywood
Vacation Rentals	No	No	No
Home sharing	Yes	Yes	Yes
Owner Occupancy	Yes	Yes	Yes
Rental Cap	None	None	None

Beverly Hills, Los Angeles, Pasadena

	Beverly Hills	Los Angeles	Pasadena
Vacation Rentals	Yes (SF Only)	Yes	Yes
Home sharing	Yes (SF Only)	Yes	Yes
Owner Occupancy	Yes	Yes	Yes
Rental Cap	60 days (2 stays max/ year)	120 days	90 days (vacation rentals)



Alternative: Prohibit STRs from operating in Burbank

- Current BMC essentially silent
- Formalize an explicit ban
- Requires staff resources and funding
 - Identify illegal operators
 - Pursue code enforcement cases

Staff Recommended Alternative: Allow STRs in Burbank

- Business License Program
- Policy considerations
 - Vacation rentals
 - Owner occupancy
 - Rental caps



Policy Consideration #1

- Vacation Rental

Should the City allow vacation rentals?



Policy Consideration #2

- Owner Occupancy

If someone owns more than one residential property, should someone be allowed to use their additional residential properties as a short-term rental?



Policy Consideration #3

- Rental Cap

Should someone be allowed to rent their residential property all year long or should it be limited to a specific number of days per year?



Fiscal Impact - Cost vs. Revenue

	Annual Cost	Annual Revenue
Contractor	\$40,000	
Staff	\$130,000	
Business License Application (Estimated \$100 per license)		\$40,000
TOT Revenue (10%)		\$575,000
TOTAL	\$ 170,000	\$615,000

Next Steps

- Community Meetings



- Draft Proposed Ordinance



- Potential Agreements with Hosting Platforms



- Planning Board/City Council



Staff's Recommendation

- Provide policy direction and input for a proposed short-term rental ordinance.