



# City of Huntington Beach

File #: 21-806

MEETING DATE: 11/2/2021

## REQUEST FOR CITY COUNCIL ACTION

**SUBMITTED TO:** Honorable Mayor and City Council Members

**SUBMITTED BY:** Oliver Chi, City Manager

**PREPARED BY:** Ursula Luna-Reynosa, Director of Community Development

**Subject:**

**Adopt Ordinance No. 4238 amending Chapter 5.120 of the Huntington Beach Municipal Code regulating Short-Term Rentals (STR) - Approved for introduction 10/19/2021, Vote: 6-0-1 (Peterson-Absent)**

**Statement of Issue:**

Ordinance No. 4238 approved for introduction October 19, 2021, requires adoption.

**Financial Impact:**

There are no direct fiscal impacts associated with this action.

**Recommended Action:**

Adopt Ordinance No. 4238, "An Ordinance of the City Council of the City of Huntington Beach Amending Chapter 5.120 of the Huntington Beach Municipal Code Regulating Short-Term Rentals." ( Attachment No. 1)

**Alternative Action(s):**

Do not approve the recommended action and direct staff accordingly.

**Analysis:**

The Short-Term Rental Ordinance was adopted on January 19, 2021 and became effective on February 19, 2021. The Short-Term Rental Permit fee resolution was adopted on March 1, 2021. The ordinance allows property owners in Sunset Beach to obtain an un-hosted short-term rental permit within six months of the adoption date of the fee resolution.

After the adoption of the ordinance, the City Council created an Ad Hoc Short-Term Rental Committee to solicit input from stakeholders and discuss whether changes were needed to the ordinance. On September 21, 2021, staff shared the Ad Hoc Committee's recommendations with the entire City Council. After some discussion, the City Council decided to allow property owners in Sunset Beach to obtain an un-hosted short-term rental permit within one year of the adoption date of the fee resolution (March 1, 2022). The City Council directed staff to prepare an amendment to the

Short-Term Rental Ordinance to implement the Council's direction.

The amendment to the Short-Term Rental Ordinance includes the following:

1. extending the date for property owners in Sunset Beach to obtain an un-hosted short-term rental permit to March 1, 2022
2. clarifying the definition of "short-term rental operator"
3. clarifying the responsibility of collecting and remitting TOT and TBID assessments

The two other changes listed above are non-substantive clean up items that do not affect the STR policies originally adopted by the City Council.

**Environmental Status:**

The amendment to the Huntington Beach Municipal Code is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 (b)(3) (General Rule) of the CEQA Guidelines, because there is no potential for the amendment to have a significant effect on the environment.

**Strategic Plan Goal:**

Economic Development & Housing

**Attachment(s):**

1. Ordinance No. 4238
2. Legislative Draft of HBMC Chapter 5.120