

Short Term Vacation Rentals Working Group

Established November 2017

Ann Kerr Bache
Working Group Chair
LJTC President

STVR Working Group



- Founding Board of Coalition
 - Coastal Town Councils (LJTC, MB, OB & Clairemont)
 - Public Safety and Neighborhood Association Experts
 - Experienced, Informed & Consultative
 - Represent Communities with >250,000 members

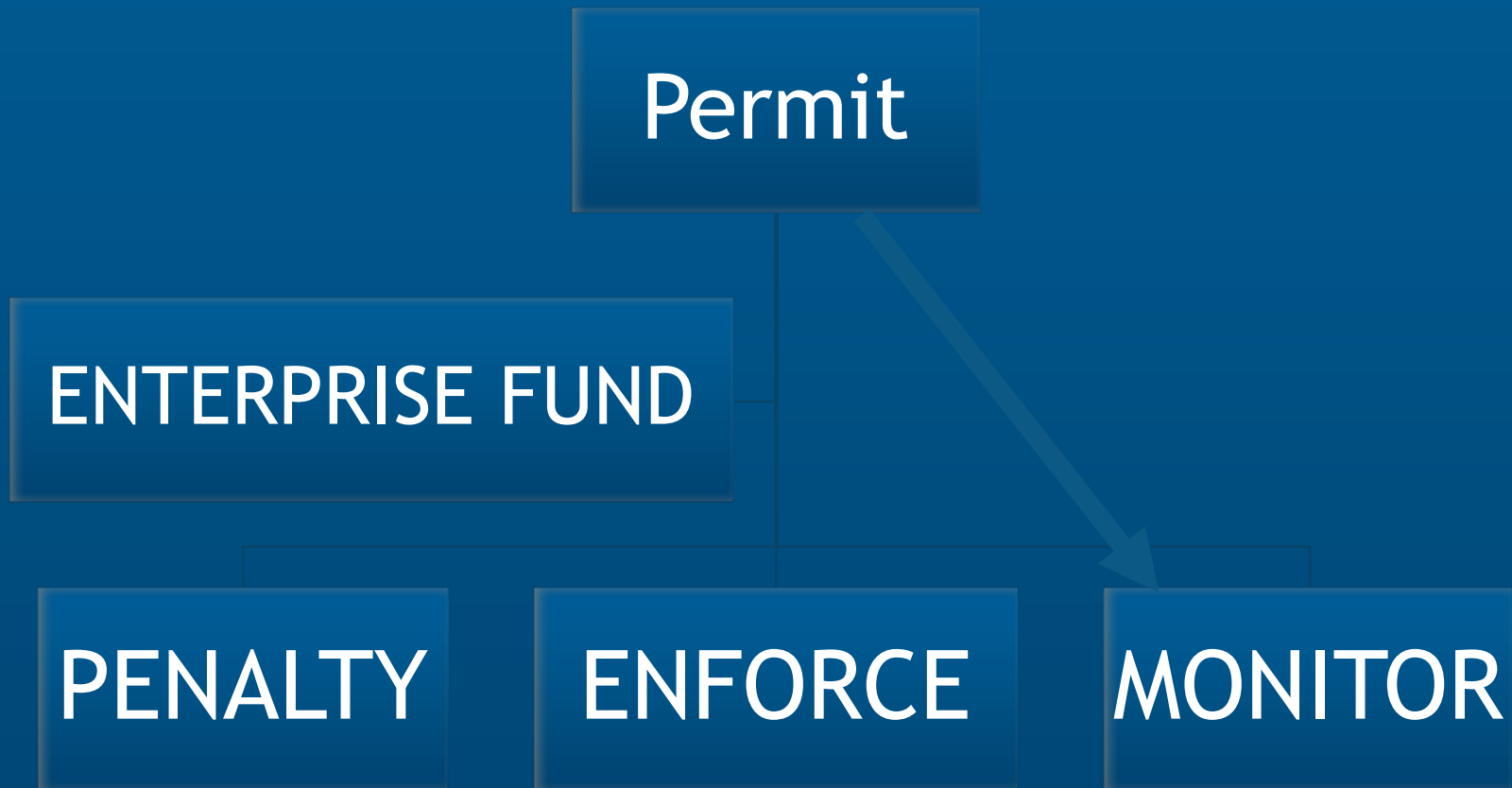
STVR Working Group Philosophy

- Full ban supported by many, but
- Mayor refuses to enforce & Council refused to act
- Any action requires 5 votes of city council
- Discussion with city hall - ban won't fly
- Practical Wkg. Grp goal: Preserve Neighborhood Quality of Life
- Home Sharing OK: STVR 3-90 days; Primary Residence

STVR Working Group Operating Principles

- Focus on Fair & Enforceable Regulations
- Separate fund STVR (Enterprise Fund)
- Develop and enforce Good Neighbor Policies
- Tools to Monitor, Enforce, Penalize & Revoke
- Invited to Provide Recommendations for Regulations - submitted to Elyse Lowe Feb. 2018

STVR WORKING GROUP - FRAMEWORK FOR REGULATING



Recommendations for STR Regulations

Fiscal Management

- Establish an Enterprise Fund to which all STVR fees and fines are deposited and dedicated to administration and enforcement.

Recommendations for STR Regulations

(cont'd)

- Limit STVRs to Primary Residence only
- Impose limits on the number of STVRs in a community. Determination of appropriate limits should give strong weight to recommendations from the communities affected. For example, 1-25 % to preserve our neighborhood character and quality of life, while acknowledging the desire to Home Share.
- Limit proximity of STVRs to a range between 50 and 500 feet. Where this limit is currently exceeded, grandfather only existing STVR Operators who have been paying TOT and other business fees and licenses.
- STVR Permits **become void when property ownership changes.**

Recommendations for STR Regulations

Monitoring and Enforcement(cont'd)

- Include STVR Permits on the Development Services Ministerial Permit Map
<https://opensd.sandiego.gov/Web/Maps/ApprovalsMinisterial>
including owner name, local contact for rental information and problem resolutions for all permitted STVRs.
- Include Code Enforcement Actions
<https://opensd.sandiego.gov/Web/Maps/CECase>
- Require Owner to post a sign readable from the street with the owner Permit # and 24 hour Owner Response #.
- Establish a 24/7 Nuisance Response Plan to ensure fair and effective response to complaints about STVRs. It should include a Vacation Rental Hotline and electronic tools such as a webpage or SD GET IT DONE APP.

Monitoring & Enforcement (cont'd)

Post a "Good Neighbor Policy" on the STVR page on the City website and in a prominent location in the vacation rental property that includes:

- Notice that this is a residential area, not a commercial zone, and that renters must respect the rights of neighbors.
- Provide notice that no business signs can be displayed and lighting regulations enforced.
- San Diego Noise Ordinance Information for Residential areas, including:
- A simple explanation of the 40 decibel limit from 10 p.m. to 7 a.m. Provide Notice that Violations of the Noise Ordinance can result in fines of up to \$1000 for each transient

Monitoring & Enforcement (cont'd)

- Establish a certified violation process with effective penalties
 - \$500 first violation
 - \$2500 second violation
 - **Third Violation: Revoke Permit**
 - \$1000 fine per renter (transient)

STVR Working Group Membership

- Ann Kerr Bache, La Jolla TC President & Chair STVR Wrkg Grp
- Gary Wonacott, Mission Beach TC President
- Marcus Turner, Ocean Beach TC President
- Eden Yaege, Clairemont TC President
- Lynn Haims, Clairemont Town Council
- Chris Brewster, Former Lifeguard Chief
- Tom Coat, NeighborsforNeighborhoods President
- Open to all Organizations not limited to Town Councils
- We Would like to Join Forces with Planning Groups

San Francisco is Best Model for SD ~ No Need to Reinvent the Wheel

- Comprehensive Ordinance
- Website and Administration
- Directive to Hosting Platforms
 - PLUS
- STVR Working Group Enhancements:
 - Engage Neighbors & Community in Active Monitoring, Rapid Response & Stiff Penalties



[Register as a Host](#)



[File your Quarterly Report](#)



[File a Complaint](#)

Register as a Host

Want to rent your unit for short-term stays?
Register with our office and the
Treasurer & Tax Collector.

[Read More Here](#)

File your Quarterly Report

Every registered host in San Francisco
must report all short-term stays at the end
of each quarter.

[Report Short-Term Stays](#)

File a Complaint

Concerned about a possible illegal short-
term rental in your neighborhood? Let us
know so we can investigate.

[Read About Complaints](#)

About the Office of Short-Term Rentals

We work with the residents of San Francisco to ensure that short-term rental activity respects neighborhood character, preserves housing supply, and complies with the City's rules. Our Office is responsible for registering eligible hosts and for administering enforcement of the City's short-term rental regulations.

[What is a short-term rental?](#)





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About Short-Term Rentals

The City's goal is to ensure that short-term rentals do not negatively affect the City's housing supply or damage the character of our neighborhoods.

What is a short-term rental?

A short-term residential rental is a rental of all or a portion of your home for periods of less than 30 nights. For a more complete overview, [read San Francisco Administrative Code Chapter 41A](#).

([http://library.amlegal.com/nxt/gateway.dll/California/administrative/chapter41aresidentialunitconversionandde?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:sanfrancisco_ca\\$anc=JD_Chapter41A](http://library.amlegal.com/nxt/gateway.dll/California/administrative/chapter41aresidentialunitconversionandde?f=templates$fn=default.htm$3.0$vid=amlegal:sanfrancisco_ca$anc=JD_Chapter41A))

What kind of short-term rentals are legal?

You must be the permanent resident of the unit you wish to rent

To be considered the permanent resident, you must spend at least 275 nights a year in the unit where you host short-term rentals. If you own/rent a multi-unit building, you may only register the specific residential unit in which you reside. [Also see: "Ineligible Properties."](#) (https://shorttermrentals.sfgov.org/hosting/become-certified#info_page_accordian-block-0)

You must register as a business

Obtain a Business Registration Certificate for your property from the San Francisco Office of the Treasurer & Tax Collector. This step must be accomplished before you can register with the Office of Short-Term Rentals. [Go get registered on the San Francisco Business Portal \(Choose "> Step 3: Register with TTX \(Treasurer & Tax Collector\)".](#) (<https://businessportal.sfgov.org/start/starter-kits/short-term-rental>)

You must become a certified host

You may only offer short-term rentals once you have received a certificate from the Office of Short-Term Rentals. The certificate number must be posted on all listings advertising your short-term rental. [Go get registered on the San Francisco Business Portal \(Choose "> Step 4: Apply with OSTR \(Office of Short-Term Rentals\)".](#) (<https://businessportal.sfgov.org/start/starter-kits/short-term-rental>)

You may only rent 90 unhosted nights per year

"Unhosted rentals" occur when you are not present in your unit during your guests' stay. You may only conduct unhosted short-term rentals for up to 90 nights per calendar year.

What are the laws regarding other types of rentals?

Rentals Longer than 30 Nights: Renter Rights and Rent Control

Rentals for more than 30 consecutive nights (by the same visitors) are not subject to short-term rental regulations or subject to hotel (transient occupancy) taxes. Business personal property taxes may still apply (administered by the San Francisco Assessor-Recorder).

In addition, rental/tenant protections and rent control provisions may apply to stays of 30 days or more. The Office of Short-Term Rentals cannot provide advice on tenant protection or rent control rules and laws. [Contact the San Francisco Rent Board for more information.](#) (<http://sfrb.org/>)

If rentals are offered for more than 30 nights per guest stay (for those dwelling units not authorized to offer short-term rentals by the Office of Short-Term Rentals), ensure that booking calendars and advertisements for all online listings clearly indicate a 30-day minimum stay.

Renting Your Home for Meetings and Events

Some hosts use online platforms to rent out portions of their home for daytime events such as ceremonies, conferences or meetings. This type of activity generally violates Planning Code rules if the space being used is intended for residential use.

Short-Term Rentals in Commercial and Industrial Buildings

Short-term rentals may only be hosted in areas that are permitted for residential use. For example, short-term rentals may not be held in a institutional, commercial or industrial building, unless a specific portion of the building is authorized (per the Department of Building Inspection) as a residential dwelling unit. In addition, vehicles (including RVs and Camper Vans) and temporary structures (such as tents, sheds, tree houses, etc.) may not be used for short-term rentals. Short-term rentals can be hosted in residential portions of live-work units; if the host is a permanent resident. However, the short-term rental activity is not considered a qualifying business activity in those specific live-work units where a notice of special restrictions (NSR), recorded on the property, requires a business activity/registration for the "work" area. Also see: "Ineligible Properties." (https://shorttermrentals.sfgov.org/hosting/become-certified#info_page_accordian-block-0)

Limits on Number of Guests

It is the goal of the short-term rental program to ensure that the residential character of the dwelling unit and the surrounding neighborhood is preserved. As such, you may not offer more than 5 individual short-term rental reservations within your dwelling unit (i.e. offer no more than 5 individual beds as separate, bookable listings). Exceeding this limit may be considered an illegal conversion to a group housing use, subject to revocation of your short-term rental certificate and also subject to enforcement by the Planning Department.

Compliance Information for Hosting Platforms

San Francisco's Short-Term Rental Ordinance (Administrative Code Chapter 41A) includes certain requirements for hosting platforms offering short-term rental bookings in San Francisco. Specifically, platforms must:

- Verify that any home offered for short-term rental is lawfully registered with OSTR before the platform may provide, or collect a fee for, booking services for that unit. This registration requirement does not apply to units specifically approved by the Department of Building Inspection (DBI) as timeshare units or tourist hotels ("residential hotels" are subject to different DBI rules that vary by property).
- Submit a monthly affidavit to OSTR affirming that they have exercised reasonable care to verify that hosts utilizing their service are lawfully registered with OSTR.
- Maintain business records for no less than the prior three years for each of their hosts and short-term rental transactions, and provide this information to OSTR upon request.

Please refer to the summary letter and Administrative Guidelines below for further instructions. If platforms fail to comply with these requirements, they may be subject to enforcement action and penalties.

Summary Letter (https://shorttermrentals.sfgov.org/sites/default/files/OSTR_Letter_to_Platforms_Admin_Guidelines073117.pdf)
Administrative Guidelines (https://shorttermrentals.sfgov.org/sites/default/files/OSTR_Admin_Guidelines_for_Platforms.pdf)

CITY & COUNTY OF SAN FRANCISCO

Office of Short-Term Rentals

1650 Mission Street, Suite 400, San Francisco, CA 94103

(<https://www.google.com/maps/place/1650+Mission+St+%23400,+San+Francisco,+CA+94103/@37.7717977,-122.4219215,17z/data=!3m1!4b1!4m5!3r122.4197275>)

☎ 415-575-9179 (tel:1-415-575-9179)

✉ Email (<mailto:shorttermrentals@sfgov.org>)

Walk-in Hours:

Wednesday, 1:00pm-4:00pm

1660 Mission Street, 5th Floor

San Francisco, CA 94103

(<https://www.google.com/maps/place/1660+Mission+St,+San+Francisco,+CA+94103/@37.7713185,-122.4220911,17z/data=!3m1!4b1!4m5!3m4!1s0x8f122.4199024>)

First Monday of the month, 5:30pm-7:30pm

1650 Mission Street, Suite 400

San Francisco, CA 94103

(<https://www.google.com/maps/place/1650+Mission+St+%23400,+San+Francisco,+CA+94103/@37.7717977,-122.4219215,17z/data=!3m1!4b1!4m5!3r122.4197275>)

Walk-in assistance is not available on city holidays (<http://sfgov.org/city-and-county-san-francisco-holidays>).



SAN FRANCISCO OFFICE OF SHORT-TERM RENTALS

July 31, 2017

To Whom it May Concern:

You are receiving this letter because San Francisco's Office of Short-Term Rentals (OSTR) has identified your company to be a short-term rental hosting platform, as defined by San Francisco's Short-Term Rental Ordinance (Chapter 41A of the San Francisco Administrative Code, hereinafter "Ordinance"). Recent amendments to the Ordinance affect your obligations and operations as a hosting platform. The purpose of this letter is to inform you of these amendments, share the attached Administrative Guidance detailing how hosting platforms can comply with one particular obligation, and to explain in more general terms below how to comply with your obligations under the Ordinance.

Background

The Ordinance became effective in February 2015, legalizing short-term rental activity for hosts within San Francisco that are the permanent residents of their dwelling unit. To comply with the Ordinance, hosts are required to obtain a business registration, and to receive a certificate from OSTR that verifies the host's status as a permanent resident and his or her eligibility to conduct short-term rentals (to the extent permitted by the Ordinance).

In August 2016, the Board of Supervisors added several requirements for hosting platforms that provide booking services for short-term rentals. Your company should read and understand the obligations for hosting platforms contained in Admin. Code Section 41A.5(g)(4). A few of the main requirements of that section are:

- Platforms must verify that any residential unit offered for short-term rental is lawfully registered with OSTR before the platform may provide, or collect a fee for, booking services for that unit. The Guidance attached to this letter details how to comply with this requirement.
- Platforms must submit a monthly affidavit to OSTR affirming that they have exercised reasonable care to verify that hosts utilizing their service are lawfully registered with OSTR.
- Platforms must maintain business records for no less than the prior three years for each of their hosts and short-term rental transactions, and must provide this information to OSTR upon request.

Hosting platforms Airbnb and HomeAway filed suit against the City subsequent to the passage of these amendments, and enforcement of the Ordinance was temporarily put on hold. The litigation has been settled, the hold lifted, and the Ordinance is now effective and applicable to all short-term rental hosting platforms operating within the City and County of San Francisco.

Methods of Compliance With Obligation to Take Reasonable Care to Verify that Hosts are Registered

There are a number of methods available for platforms to verify that hosts are lawfully registered. The attached Administrative Guidance document, entitled "Office of Short-Term Rentals: Guidelines for Hosting Platforms"), explains these methods in detail, and I summarize them here:

1650 Mission St.
Suite 400
San Francisco, CA
94103-2479

Reception:
415.558.6378

Website:
**shorttermrentals.
sfgov.org**

Inquiries:
**415.575.9179
shorttermrentals@
sfgov.org**

- Method 1: APPLICATION PROGRAM INTERFACE (API): The platform may query an API administered by OSTR to verify that the host is lawfully registered.
- Method 2: OSTR REGISTRATION NUMBER FIELD & SPREADSHEET RECONCILIATION: The platform will require hosts to input their OSTR registration number into a mandatory field in their short-term rental listing. On a monthly basis, the platform will provide a spreadsheet to OSTR containing certain data that will allow OSTR staff to audit the platform for compliance.
- Method 3: REGISTRATION CERTIFICATE UPLOAD: The platform will require hosts to upload an image of their Short-Term Rental Registration Certificate (a document issued by OSTR to lawfully-registered hosts), and forward a copy of this image to OSTR staff.
- Method 4: OTHER: The platform may choose to engage with OSTR staff to establish an alternative, mutually-agreeable method of compliance.

Next Steps

Although these new requirements for hosting platforms are currently in effect, OSTR is providing an enforcement grace period to allow platforms to come into compliance. To ensure compliance with the Ordinance, and to avoid administrative, civil, and/or criminal penalties, please complete the following steps within 45 days of the date of this letter:

- Notify OSTR of the desired method of compliance, and implement any necessary changes to the design and functionality of your platform to accommodate the method of compliance. For example, if you select Method 2, you will need to create a mandatory field for hosts to enter their registration number on your platform.
- Inform hosts of the requirement to register. OSTR can provide a template communication upon request.
- Discontinue booking services for any listings or hosts that you have not verified as having a valid registration or as having submitted an application for registration.
- Begin providing monthly affidavits to OSTR, on the fifth of each month, attesting that the platform is in compliance with the Ordinance.

How Hosts Can Register

After obtaining a business license from the Office of the Treasurer and Tax Collector, hosts can submit a registration application to OSTR in several ways:

- 1) On-line Application: Hosts may visit the OSTR website at <https://shorttermrentals.sfgov.org/> for information about eligibility and the requirements of the short-term rental program. Once hosts have determined that they are eligible for registration, they may apply on-line at:

<https://businessportal.sfgov.org/start/starter-kits/short-term-rental>

2) In-Person Appointment: OSTR offers scheduled appointments and walk-in hours throughout the week, where hosts may ask questions and submit applications during a short meeting with OSTR staff.

3) USPS Mail: Hosts may submit a completed application via USPS mail to:

Office of Short-Term Rentals
1650 Mission Street, Suite 400
San Francisco, CA 94103

Once a host has submitted an application, the host may continue to book and host short-term rentals while the application is pending. But if OSTR denies the application, the platform must cease providing booking services for the listing and the host should remove the listing and cease short-term rental activity (including the cancellation of future bookings).

Please note that we are offering platforms the opportunity to develop a “pass-through registration” system, if desired. Such a system would be hosted on the platform, and would be designed in collaboration with staff from OSTR and the City’s Department of Technology. The platform-hosted system would collect information from the host, and would submit the application to OSTR on behalf of their host. Please note that the development of a pass-through registration system requires a payment of \$40,000 to cover staff time for the initial development of the system, as well as a \$5,000 annual payment for maintenance.

Thank you in advance for your cooperation. If you have any questions regarding this letter or the requirements of the Ordinance, please feel free to contact me at kevin.guy@sfgov.org, or at (415) 558-6163.

Sincerely,



Kevin Guy,
Director, Office of Short-Term Rentals

Attachments:

- 1) San Francisco Administrative Code Chapter 41A
- 2) Office of Short-Term Rental Administrative Guidelines
(Implementing Section 41A.5(g)(4)(C))

如果你需要用華語獲得關於這通告的細節,請電 415-575-9010.

Para obtener más información sobre esta notificación en español, llame al siguiente teléfono (415) 575-9010.

a makuha mo ang informacion tungkol sa noticia na ito sa tagalog, paki tawagan lang ang numero (415) 575-9010.