

LEGISLATIVE DIGEST

[Administrative Code - Short-Term Residential Rentals]

Ordinance amending the Administrative Code to revise the Residential Unit Conversion Ordinance to require Hosting Platforms to exercise reasonable care in verifying that a residential unit is on the City Registry prior to accepting a fee for booking a short-term rental transaction; and affirming the Planning Department's determination under the California Environmental Quality Act.

Existing Law

Administrative Code Chapter 41A prohibits short-term rentals (rentals of less than 30 days) of residential units in the City unless the permanent resident of the unit registers the unit with the City's Office of Short-Term Residential Rental Administration and Enforcement (known as the Office of Short-Term Rentals) and agrees to adhere to various rules and restrictions. Hosting Platforms may provide, and collect a fee for, booking services in connection with short-term rentals only when the rented units are lawfully registered on the City's Short Term Residential Rental Registry. A Hosting Platform that provides booking services for an unregistered unit violates Chapter 41A and is subject to potential penalties and other administrative or judicial relief.

Amendments to Current Law

The ordinance would allow Hosting Platforms to provide, and collect a fee for, booking services only if the Hosting Platforms *exercise reasonable care* to confirm that the rented units are lawfully registered on the Short Term Residential Rental Registry at the time the units are rented for short-term rental. Under the proposed ordinance, Hosting Platforms exercise reasonable care if they comply with administrative guidelines issued by the Office of Short-Term Rentals to confirm that the unit is lawfully registered.

n:\legana\as2017\1700444\01168875.docx