

The following FAQs are being presented to respond to some common questions the project team received at the October 10, 2018, Public Review Workshop and via email and phone since the workshop. Also provided below are some key definitions that are crucial to having an effective discussion on this topic. For more information, please visit www.lbds.info/lbshorttermrental.

1. Under Options 2 and 3, why would a primary resident be limited to operating an STR for only 90 days?

By definition, a primary resident lives in the unit for a minimum 275 days per year. The unit could be rented for the additional (remaining) 90 days as an un-hosted, primary residence STR. A primary residence could be rented as an STR 365 days per year provided that the primary resident is present 275 of those days.

2. Why should STRs have to pay the full 12% Transient Occupancy Tax (TOT) when 6% of that goes to the Special Advertising and Promotions Fund?

The purpose of the Special Advertising and Promotions Fund is to promote Long Beach as a tourist destination, including advertising our natural advantages, resources, enterprises, attractions, climate, and facilities. Since STRs are a transient occupancy use, it is reasonable to charge the same tax rate charged to hotels, motels, bed and breakfasts, etc.

3. Why should a host have to apply and pay for both an STR registration and a business license tax, isn't that double charging?

The STR registration fee is a cost recovery tool that covers the City's cost to process applications and ensure requirements are met. The business license tax is a true tax due for engaging in business in Long Beach and is required of any person to transact business in the City. As the registration fee and the tax are for different purposes, it is not double charging.

4. I've heard that STRs are currently banned in Long Beach but I've also heard they are allowed, which is it?

There is currently no ordinance or explicit ban on un-hosted STRs, but the Municipal Code does not provide for, or sufficiently address, the topic. Therefore, it is considered a ban by omission. However, the Municipal Code does allow for hosted short-term rentals of up to 2 rooms in a unit, provided the owner is on-site, and the rooms do not have independent exterior entrances or kitchens.

5. Why isn't the project team proposing a "No Action" option to City Council?

City staff was tasked with researching and providing recommendations for an ordinance to regulate STRs. A "No Action" option is inherently implied, it would be the decision of City Council to pass or not pass any ordinance on the subject. If no ordinance is passed, un-hosted STRs would continue to be prohibited.

6. Why isn't the project team proposing a total ban on STRs in the City?

Based on feedback during the community outreach events and from the online survey, only a very small number of residents support a total ban. The majority of residents who responded are supportive of allowing STRs with some regulations. Additionally, the California Coastal Commission (CCC) has supported development of regulations that allow STRs with reasonable and balanced regulations while rejecting regulations which propose total bans of STRs.

7. Why would the City allow STRs in a multifamily building when my HOA already prohibits STRs?

The City would NOT approve an STR registration if the unit is subject to restrictions imposed by a HOA that prohibits STRs. The City would offer buildings governed by a HOA, condominium association, or building cooperative the option to provide an affidavit for including their building(s) on a list of buildings where STRs are prohibited. The City would not approve STR registration applications for these buildings.

Key Definitions:

Short-Term Rental – A home, or portion of a home, rented by paying guests for short stays (30 days or less).

Primary Residence – The housing unit where the STR host lives in at least 275 days (9 months) per year.

Non-Primary Residence – An STR unit that is not the primary residence of the STR host.

Hosted Stay – The STR host is present on-site during the short-term rental activity.

Un-hosted Stay – The STR host is not present on the property where the short-term rental activity is occurring.