

To: Mark Jomsky, Members of the City Council, City Attorney's Office, Steve Mermell, David Reyes, Guille Nunez

FROM: Carol Ebbinghouse, Resident, District 2

SUBJECT: Proposed Short Term Rental Regulation

I have several concerns about the proposed regulations that I would like to get into the record.

1. The proposed code should specifically provide that **personally identifiable information**, such as host and/or guest names, addresses, etc. are confidential, and NOT a public record. [Examples include PMC secs. 5.04.060, 5.35.140 and 5.24.170.]

There is too much risk that guest or host names and/or addresses might be released for the curious and/or criminals:

- A significant number of hosts are single women who fear their home addresses will get out and they could become vulnerable.
- Providing host addresses would provide a list of homes where there are large screen TV's, wifi routers, DVD and other electronics, expensive sheets and towels, and other amenities creating serious risks of robberies.
- There is no rational basis for satisfying the curious who would want a list of "all STRs in Pasadena" in order to identify guests or hosts, monitor legal parking, spy on private citizen's comings and goings, and/or report trivial infractions to code enforcement, with no purpose other than to harass a homeowner/host.
- The fact that hosts are legally obligated to notify their contiguous neighbors (proposed code, page 4) is sufficient notice, rationally tailored to afford necessary information to affected parties.
- Releasing a guest's personally identifiable information could equally be used to target their homes for burglaries while they travel.

There should also be sanctions, such as those under the Privacy Act, for willful or negligent disclosure of personally identifiable information by city employees.<sup>1</sup>

<sup>1</sup> 5 U.S.C. §552a(i)

Criminal penalties shall be imposed when:

- an employee of the agency knowingly and willfully discloses individually identifiable information from agency records in any manner to any person or agency not entitled to receive it;
- an employee of any agency willfully maintains a system of records without meeting the notice requirements of the act; and
- any person who knowingly and willfully requests or obtains any record concerning an individual from an agency under false pretenses.

Why is this needed? Because EFF co-founder John Perry Barlow once said that asking the government to protect your privacy is like asking a peeping tom to install your window blinds.

2. The Transient Occupancy Tax (PMC 4.44) is based on a certain “per cent of the rent charged by the operator.” This provision is contrary to the proposed ordinance language.

The proposed ordinance provides (page 9) that “The host shall ... determine the amount of such tax as he/she may have been liable for the collection of and payment to the city, including the price paid for each stay.” This includes the “rental records” described in Subsection 17.50.296(G)(2) renewal provision at the top of page 6

Neither of these conflicting provisions is workable under the current business models of the hosting platform(s) used by the vast majority of hosts in Pasadena, unless the “operator” is defined as the hosting platform under Municipal Code 4.44.030 *and* the hosting platform also functions as the “host” under the proposed code.

*No Airbnb host knows what the operator (Airbnb) is charging the guest.*

- We know what we charge, and what we discount, and we know that Airbnb keeps 3% of that.
- Hosts don't know what percentage (reportedly 6%-9%) on top of our charge that the guest pays.
- Only Airbnb knows what the guest pays, *and* what amount the TOT must be based upon.
- We hosts cannot be “operators” because we do not collect the actual rent charged by Airbnb.
- We hosts cannot be the collectors of the rent (or the TOT) under Airbnb's business model--which maintains privacy and security for hosts and guests.

The proposed ordinance should provide a means for qualifying and certifying hosting platforms to act as certified TOT collection authorities. This is the approach of other cities such as Malibu, San Francisco, Portland Oregon and many others.<sup>2</sup> Hence a *host will be in compliance if s/he either provides the annual information on the amount each guest pays (which the host collects), or arranges for the hosting platform to do so.*

<sup>2</sup> As but one example, Malibu does not have official permits or registration of hosts *unless* the platform the host uses does not qualify as a qualified hosting platform, or the host uses other means of acquiring guests. For years now, Airbnb and HomeAway have handled registration of all of their Malibu hosts, and collected and remitted TOT to the city as qualified hosting platforms.

The Malibu enforcement and registration personnel are only concerned with those hosts who use other hosting platforms, advertising services, etc. For the vast majority of Malibu hosts, the city relies on the qualified platforms for all of the information the city needs without investing in elaborate new computer systems to integrate with the platforms. The personnel and equipment savings speaks for itself. Just imagine the potential liability for breaches of privacy should Pasadena city databases of short term hosts' and guests' personally identifiable information be hacked. *Now imagine if the hosting platform(s) are tasked with collecting the necessary host and guest information (which they already have), thereby eliminating significant privacy and cyber-breach risks for the city of Pasadena!* It is also the approach I advocated when I suggested that the city not go to the expense of regulating, as opposed to delegating compliance and enforcement to those hosting platforms with business models that accommodate it. I commend the Malibu Transient Occupancy Tax (TOT) Registration Form to your attention for a minimally invasive means to registration ends.

3. **If the purpose of the proposed Short Term Rental regulation is to preserve “the residential character of the neighborhood,” then why would there not be an exemption from the 90 day limit for unhosted stays and/or vacation rentals within 300 feet of a “commercial corridor?”**

All of Pasadena is not a “neighborhood” nor does the entire city have the “character of a neighborhood.”

The purpose of a zoning code is to advance the different uses of property in a coordinated, planned manner. Residential neighborhoods are protected, while commercial and/or industrial zones have expanded and much different permitted uses.

The commercial corridors of Pasadena (Colorado Blvd and Walnut going west-east; Fair Oaks, North Lake up to Elizabeth Street, portions of Hill, Allen, Altadena and San Gabriel going north-south crossing Colorado, Walnut, among others) with their views of strip malls, car washes, auto parts stores and repair shops, landscaping and tree trimming services, drive-through restaurants, massive shopping center parking lots, massage parlors, veterinarians and assorted office buildings have no residential character.

According to the City of Pasadena General Plan Policies and Goals:

**Policy 2.3 Commercial Businesses.** Designate sufficient land to enable a broad range of viable commercial uses in Pasadena’s Central District, Transit and Neighborhood Villages, and commercial corridors. These uses will serve both local and regional needs, reducing the need for residents to travel to adjoining communities, capturing a greater share of local spending, and offering a diversity of employment opportunities.

**GOAL 25. Vital Districts and Corridors.** Diverse, active, prosperous, and well-designed commercial corridors and districts that provide a diversity of goods, services, and entertainment and contribute to a positive experience for **residents and visitors**.

I can see no reason why “unhosted stays” and “Vacation Rentals” as defined in the proposed code could not be welcomed in the commercial corridors,

- especially since they encourage local spending;
- have the most varied and frequent transit opportunities and connections;
- appeal to the many visitors who choose not to use a car;
- are walkable, bikeable within easy distance of groceries, restaurants, retail, movie houses and other destinations for spending and entertainment;
- there are fewer concerns about unhosted guests playing the radio too loud at night;
- these are precisely the neighborhoods that already accommodate hotels.

I recommend that unlimited Unhosted Stays and Vacation Rentals (page 3 of proposed regulations) be permitted within 300 feet of a designated “commercial corridor.” If hotels are demanding equivalent regulation, then permitting STRs in their same commercial corridors is appropriate.

4. **How does requiring a notarized affidavit (as required on page 4 of the proposed code), serve the desired goal of an easy "all online" registration system?**

- One can affirm under penalty of perjury on an electronic form with an e-signature--without the difficulty and time spent running around town locating a notary public, not to mention the expense of doing so.
- The city should re-visit the affidavit and other requirements for hosts to determine which requirements are truly essential to the permitting process, and which are unnecessary or burdensome with no clear justification.
- Furthermore, the city should add to the acceptable documentation of Primary Residence (on page 2 of the proposed ordinance), B. 5. "...a homestead exemption, thirty-year fixed rate mortgage or other documentation sufficient to demonstrate a primary residence."

5. **The TOT code (Chapter 4.44 of PMC) requires registration with the "Tax Administrator" but the proposed code specifies a permit from Planning and Community Development and a Transient Occupancy Registration Certificate from the Finance Department.**

- I recommend that the language in the Municipal code and the proposed Zoning Code be reconciled and coordinated, especially regarding:
  - i. Permitting processes and registration officers
  - ii. Definition of transient be added to STR regulation definitions (used on page 1, "transient occupancy;" page 3, "transient occupant/guest;" page 8, "transient guest";
  - iii. Primary Residence evidence should include homestead exemption
  - iv. Reconcile the two different definitions of "Primary Residence" on pages 2 and 5 into a single definition.
  - v. Regarding Vacation Rental, "shall not include: single-room occupancy buildings, bed and breakfast inns;; hotels; a dwelling unit for which a tenant has a [year lease or] a month-to-month rental agreement..."
- Furthermore, I recommend that the Transient Occupancy Registration Certificate be issued to those hosting platform(s) that actually collect the TOT for their hosts and guests. Since the *hosts* on those compliant platforms do not collect TOT, they should not be required to have a certificate authorizing them to collect it.
- The text of the "Transient Occupancy Registration Certificate" in Municipal Code 4.44.060 should be rewritten to eliminate confusion, since it refers exclusively to "hotels" and not short term rentals. In the alternative, simply posting the city permit prominently in the STR unit should suffice to assure guests that they are in a "legal" unit.

**6. The exemption of "corporate housing" from the proposed regulations (on page 3) relating to Vacation Rental causes confusion.**

There is no definition of "corporate housing" in the proposed ordinance, nor in either the Zoning Code or the Municipal Code. There is no explanation of a reason for such an exemption.

- Until there is a definition of "corporate housing" nobody can understand what the exemption to the regulation is referring to, and what it is not. The provision should be deleted or the term should be defined and the reason for it explained.

Thank you for your devoted work on this issue. And thank you for your consideration of these concerns.

Carol Ebbinghouse  
626-716-0865

New text

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Introduced by Carol Ebbinghouse

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF PASADENA AMENDING THE ZONING CODE  
{TITLE 17} TO ADD SECTION 17.50.296 TO CHAPTER 17.50 OF  
THE PASADENA MUNICIPAL CODE PERTAINING TO SHORT-  
TERM RENTALS**

The People of the City of Pasadena ordain as follows:

**SECTION 1.** This ordinance, due to its length and corresponding cost of publication, will be published by title and summary as permitted in Section 508 of the Pasadena City Charter. The approved summary of this ordinance is as follows:

**"Summary**

This proposed ordinance amends the Zoning Code (Title 17) to add Section 17.50.296 to Chapter 17.50 of the Pasadena Municipal Code, which establishes regulations to permit short-term rental activity as an accessory use to a dwelling unit, and requires remittance of Transient Occupancy Tax.

Ordinance No. \_\_\_\_\_ shall take effect 30 days from its publication."

**SECTION 2.** Pasadena Municipal Code, Title 17, Article 5, Chapter 17.50, Section 17.50.296 (Short-Term Rentals) is added as follows:

**"17.50.296- Short-Term Rentals**



A. **Applicability** . The following standards apply to short-term housing rentals whereby a dwelling unit is shared, in whole or in part for transient occupancy as a way of generating rental income.

B. **Definitions**. For the purposes of this Section, the following words or phrases shall have the following meanings:

1. **Home Sharing**. An accessory use of a primary residence for the purposes of providing temporary lodging, for compensation, for periods of 30 consecutive days or less.
2. **Host**. An occupier of a dwelling unit who rents his/her primary residence for home-sharing under this Section.
3. **Hosted Stay**. A home-sharing activity whereby the host remains on-site throughout the guest's stay (except during daytime and/or work hours).
4. **Hosting Platform**. A marketplace in whatever form or format which facilitates the short-term rental activity, through advertising, match-making, or any other means, using any medium of facilitation, ~~and from~~ ~~which the operator of~~ whether or not the hosting platform derives revenues, including booking fees or advertising revenues, from providing or maintaining the marketplace.
5. **Primary Residence**. A host's permanent residence or usual place of return for housing as documented by at least two of the following ~~and~~ in the host's name: motor vehicle registration; driver's license; voter registration; homestead exemption, thirty-year fixed rate mortgage or other documentation sufficient to demonstrate a primary residence such as tax documents showing the residential unit as the host's residence;

or a utility or cellular phone bill. A person may have only one primary residence and must reside there for a minimum of 9 months per year.

"Transient" means any person who exercises occupancy or is entitled to occupancy ~~by reason of concession, permit, right of access, license or other agreement~~ for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel or short term rental shall be deemed to be a transient until the period of 30 days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of the ordinance codified herein may be considered.

6. **Un-Hosted Stay.** A home-sharing activity whereby the host remains off- site during the guest's stay

7. **Vacation Rental.** A dwelling unit that is not a primary residence and which is available for temporary lodging, for compensation. The term "vacation rental" shall not include: single-room occupancy buildings; bed and breakfast inns, hotels, a dwelling unit for which a tenant has a long term lease or month-to-month rental agreement and the rental payments are paid on a monthly basis; ~~or corporate housing.~~

C **Eligible Types of Dwelling Units.** Short-term rentals shall be permitted in single-family residences, duplexes, condominiums, townhomes, and multi-family rental units, except covenant restricted (affordable) and Section 8 units.

D. **Vacation Rentals Prohibited.** Vacation rentals, as defined in this Section, are a prohibited use and shall not be operated in residential neighborhoods in the City. However, vacation rentals may be permitted within 300 feet of a commercial corridor, if the owner submits documents per 17.50.296(B)(5) sufficient to establish his/her primary residence in Pasadena.

**The following are identified as primary commercial corridors:**

Arroyo Parkway between Holly Street and Glenarm Street



California Boulevard between Saint John Ave and Marengo Street  
Colorado Boulevard between Orange Grove Blvd and Halstead Ave  
Del Mar Boulevard between Saint John Ave and Marengo Street  
Fair Oaks Avenue between Montana Street and Railroad Street  
Foothill Boulevard between Greenwood Ave and Michilinda Ave  
Green Street between Orange Grove Blvd and Hill Street  
Hill Avenue between Maple Street and Del Mar Blvd  
Holly Street between Garfield Ave and Pasadena Ave  
Lake Avenue between Woodbury Street and Oakwood Place  
Lincoln Avenue between Montana Street and Chapman Ave  
Los Robles Avenue between Maple Street and Del Mar Blvd  
Orange Grove Boulevard between Cypress Ave and Mentor Ave  
Raymond Avenue between Corson Street and Glenarm Street  
Rosemead Boulevard between Sierra Madre Villa Ave and Walnut St  
Sierra Madre Boulevard between Maple Street and Mohawk Street  
Union Street between Pasadena Ave and Catalina Ave  
Walnut Street between Orange Grove Blvd and Rosemead Blvd  
Washington Boulevard between Rutan Way and Tierra Alta Drive

E. **Short-Term Rental Permit.** The host is required to obtain a short-term rental permit from the City, pursuant to the provisions of this Section, before renting any primary residence to a transient occupant/guest.

1. **Application.** To apply for a short-term rental permit, a host shall file an application with the Planning and Community Development Department on a form provided by the Department, and shall include all information required by the instructions on the application and the guidelines necessary to implement this Section, which guidelines may be approved by the City Manager or his/her designee.

2. **Eligibility Requirements.** The following requirements must be met for approval of a short-term rental permit:

- a. The host and/or hosting platform collecting and remitting the Transient Occupancy Tax shall obtain a Transient Occupancy Registration Certificate from the city assessor, tax and license collector in the Finance Department. *[Need to reconcile with PMC Zoning code 4.44 TOT text]*

b. The host shall ~~sign a notarized affidavit~~ affirm by electronic signature (or other secure verified identification) ~~confirming~~

that:

i. The short-term rental unit is his/her primary residence and that the local responsible contact person or property

management company will be available 24 hours per day.

ii. The space used for short-term rental meets or exceeds fire and life safety requirements, including installation of smoke and carbon monoxide detectors, and adequate means of egress.

iii. The abutting property owners and occupants will be notified prior to the start of activity that the host's primary residence will be used for short-term rental.

iv. For tenants, renters, or lessees of residential units engaging in short-term rental, that he/she has notified their

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landlord/property owner of their intent to sublease their unit as a short-term rental.

c. For properties with existing legally permitted accessory dwelling units or accessory structures constructed *OR* issued building permits for prior to January 1, 2017, the term "primary residence" shall refer

to the parcel of land and constitute both the main structure and the subordinate unit, both of which can be used for short-term rental activity provided the main structure is the host's permanent residence. An accessory dwelling unit or accessory structure permitted after January 1, 2017 shall not be used for short-term rental.

- d. The host shall demonstrate that an accessory structure is legally permitted and habitable based on building permit history. In the absence of a building permit record demonstrating such, the Building Official shall determine if the accessory structure is suitable for habitability and an inspection of the accessory structure may be required.
- e. Notwithstanding Subsection 17.50.296(E)(2)(b)(i), for owner-occupied properties with multiple dwelling units, including duplexes, triplexes, or apartment complexes, and generally containing rental units, the owner of such property may short-term rent his/her primary residence plus one additional dwelling unit on the property.
- f. If a primary residence is subject to the rules of a homeowners' or condominium association, allowance to engage in short-term rental through this Section shall not be inferred to grant any permission that invalidates or supersedes provisions in those documents.
- g. The host shall sign an indemnification and hold harmless agreement in a form approved by the City Attorney, agreeing to

indemnify, save, protect, hold harmless, and defend the City of Pasadena, the City Council of the City of Pasadena, individually and collectively, and the City of Pasadena representatives, officers, officials, employees, agents, and volunteers from any and all claims, demands, damages, fines, obligations, suits, judgments, penalties, causes of action, losses, liabilities, or costs at any time received, incurred, or accrued as a result of, or arising out of host's actions or inaction in the operation, occupancy, use, and/or maintenance of the property.

- h. The information furnished and secured pursuant to this chapter shall be confidential in character, shall not be subject to public inspection, and shall be kept so that the contents thereof shall not be known except to persons charged with the administration of this chapter.

**3 Expiration and Renewal.** A short-term rental permit is valid for one

(1) year from the date of issuance. It may not be transferred, does not run with the land, and is valid only at the original short-term rental site

A short-term rental permit may be renewed if the host meets the renewal requirements including: (1) pays the renewal fee; (2) is deemed to have

been in substantial conformance with the provisions of this Section for the past year; (3) documents and provides any changes that have occurred to

the information on the current short-term rental application; and 4) submits

short-term rental records described in Subsection 17.50.296(G)(2) for the last year to demonstrate compliance with this Section as part of the renewal. Without a renewal application submitted within one (1) year to the date of the issuance of the short-term rental permit, or prior renewal, a permit is considered null and void.

#### **F. Short-Term Rental Regulations.**

1. Short-term rentals shall not adversely affect the residential character of the neighborhood nor shall the use generate noise, vibration, glare, odors, or other effects that unreasonably interfere with any person's reasonable enjoyment of his or her residence. To this effect, the short-term rental activity shall comply with all provisions of the Pasadena Municipal Code, including Chapter 9.36 (Noise Restrictions) and Chapter 8.64 (Litter Control).
2. No person shall advertise, undertake, maintain, authorize, book, or facilitate any renting to transient guests in a manner that does not comply with this Section.
3. No person shall advertise any short-term rental without a City issued short-term rental permit number depicted in a visible location on the advertisement, including any listing on a hosting platform.
4. Un-hosted stays shall be limited to a maximum of 90 days per year. There shall be no limit for hosted stays.
5. Short-term rentals shall not be used by more than 2 guests per bedroom plus 2 additional guests at one time.

6. Commercial events, commercial parties, or commercial group gatherings, including but not limited to weddings, banquets, and corporate events, are prohibited from occurring as part of the short-term rental use. The dwelling shall not be short-term rented for the sole purpose of accommodating such uses.
7. Parking for the short-term rental use shall be provided on-site
8. No signs shall be posted on the exterior of the dwelling advertising the presence of the short-term rental use.
9. No person shall offer or engage in short-term rental in any part of the property not approved for residential use, including but not limited to, a vehicle parked on the property, a storage shed, trailer, garage, or any temporary structure like a tent.

**G. Host Requirements.**

1. The host shall be responsible for any nuisance violations arising at a property during short-term rental activities.
2. The host, hosting platform and property manager (if any) shall keep and preserve, for a period of three years, all records as may be necessary to determine the amount of such tax as he/she may have been liable for the collection of and payment to the City, including the number and length of each short-term rental stay, and the price paid for each stay, where known. The Planning and Community Development Department and/or the Finance Department and/or the tax administrator shall have the right to inspect these records at all reasonable times.  
  
Hosts shall provide a copy of the records from the last year to the



Planning and Community Development Department at the time of renewing the short-term rental permit and the host and hosting platform shall submit a copy with each monthly or quarterly remittance of Transient Occupancy Tax payment as required.

3. The host or qualified hosting platform shall fully comply with all the requirements of PMC Chapter 4.44 (Transient Occupancy Tax) and any successor sections.
4. ~~The host shall provide and maintain fire extinguishers, smoke detectors, carbon monoxide detectors, and information related to emergency exit routes and emergency contact information.~~ [see page 4]

**H. Fees.** The City Council may establish and set by Resolution all fees and charges as may be necessary to effectuate the purpose of this Section.

**I. Enforcement.**

1. Enforcement of this Chapter shall be subject to the processes and procedures in Chapters 1.24 and 1.25 of the Pasadena Municipal Code.
2. Any person failing to comply with any provision of this Section shall be deemed guilty of a violation of the Pasadena Municipal Code, which may be punishable as outlined in Chapter 1.24 (General Penalty) of the Pasadena Municipal Code, and may be subject to any other penalty or enforcement mechanism available to the City.
3. Three violations against the same property being used for short-term rental may result in the automatic suspension of the permit. After notice and a hearing before the city manager or his/her designated

administrator as provided in Chapter 1.25 (Administrative Penalties - Compliance Orders), the permit may be revoked. If a short-term rental permit is revoked, the host must wait at least one year before he/she can apply and register for short-term rental again.

- 4 Any person convicted of violating any provision of this Section in a criminal case or found to be in violation of this Section in a civil case brought by a law enforcement agency shall be ordered to reimburse the City and other participating law enforcement agencies their full investigative costs, pay all back Transient Occupancy Taxes, and remit all illegally obtained rental revenue to the City so that it may be returned to the short-term rental guests or used to compensate victims of illegal short-term rental activities.
5. Any person who violates any provision of this Section shall be subject to administrative fines and administrative penalties pursuant to PMC Section 1.25.160 and Section 1.25.170.
6. The remedies provided in this Section are not exclusive, and nothing in this Section shall preclude the use or application of any other remedies, penalties, or procedures established by law."

**SECTION 4.** The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published by title and summary.

**SECTION 5.** This ordinance shall take effect 30 days from its publication.

Signed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2018 ~~2017~~.

Terry Tomek  
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of

\_\_\_\_\_ the City of Pasadena at its meeting held this \_\_\_\_\_ day of \_\_\_\_\_ 2018

~~2017~~, by the following vote:

AYES:

NOES:

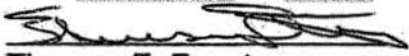
ABSENT:

ABSTAIN.

Date Published:

\_\_\_\_\_  
Mark Jomsky  
City Clerk

Approved as to form:

  
Theresa E. Fuentes  
Assistant City Attorney

## Relevant portions of PMC 4.44 Transient Occupancy Tax

### 4.44.020 - Definitions.

Except where the context otherwise requires, the definitions given in this section govern the construction of this chapter:

Host. An occupier of a dwelling unit who rents his/her primary residence for home-sharing under section 17.50.296 of the Zoning Code

A.

"Hotel" means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobilehome or house trailer at a fixed location, or other similar structure or portion thereof.

B.

"Occupancy" means the use or possession, or the right to the use or possession of any room or rooms or portion thereof, in any hotel for dwelling, lodging or sleeping purposes.

C.

"Operator" means the person who is the owner or host of a short term rental or a qualified hosting platform under 17.50.296 or the proprietor of the hotel, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee or any other capacity. Where the operator performs his functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this chapter and shall have the same duties and liabilities as his principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall, however, be considered to be compliance by both.

D.

"Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate or any other group or combination acting as a unit.

E.

"Rent" means the consideration charged, whether or not received, for the occupancy of space in a hotel or short term rental valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever.

- A. "Short Term Rental" is defined under PMC 17.50.296 as short-term housing rentals whereby a dwelling unit is shared, in whole or in part for transient occupancy as a way of generating rental income.  
All regulations for tax remission, registration, permits, and/or certificates are contained therein.

F.

"Tax administrator" means the city assessor, tax and license collector.

G.

"Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel or short term rental shall be deemed to be a transient until the period of 30 days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of the ordinance codified herein may be considered.

• **4.44.060 - Hotel registration and certificate.**

Within 30 days after the effective date of the ordinance codified herein, or within 30 days after commencing business, whichever is later, each operator of any hotel renting occupancy to transients shall register said hotel with the tax administrator and obtain from him a "Transient Occupancy Registration Certificate" to be at all times posted in a conspicuous place on the premises. Said certificate shall, among other things, state the following:

A.

The name of the operator;

B.

The address of the hotel;

C.

The date upon which the certificate was issued;

D.

"This Transient Occupancy Registration Certificate signifies that the person named on the face hereof has fulfilled the requirements of the Uniform Transient Occupancy Tax Ordinance by registering with the Tax Administrator for the purpose of collecting from transients the Transient Occupancy Tax and remitting said tax to the Tax Administrator. This certificate does not authorize any person to conduct any unlawful business or to conduct any lawful business in an unlawful manner, nor to operate a hotel without strictly complying with all local applicable laws, including but not limited to those requiring a permit from any board, commission, department or office of this city. This certificate does not constitute a permit."

(Ord. 4645 § 6, 1963)

• **4.44.070 - Operator reporting and remitting.**

Each operator shall, on or before the last day of the month following the close of each calendar quarter, or at the close of any shorter reporting period which may be established by the tax administrator, make a return to the tax administrator, on forms provided by him, of the total rents charged and received and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the tax administrator. The tax administrator may establish shorter reporting periods for any certificate holder if he deems it necessary in order to insure collection of the tax and he may require further information in the return. Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by operators pursuant to this chapter shall be held in trust for the account of the city until payment thereof is made to the tax administrator.



# HomeAway®

CITY CLERK

18 JAN 08 04:27PM

January 4, 2018

Pasadena City Council  
City Hall  
100 Garfield Avenue, Room S228  
P.O. Box 7115  
Pasadena, CA 91109-7215

Dear Mayor Tornek and Councilmembers,

On behalf of HomeAway and our homeowners, we would like to applaud your efforts to develop fair, equitable regulations for short-term rentals in the Pasadena community. I would like to express our concerns with the proposed vacation rental regulations – namely, the primary residence requirement and the potentially harmful "hosting platform" language in Section F-3.

As currently written, the new policies would impose unnecessary restrictions on local homeowners, ultimately limiting the economic growth that vacation rentals bring to the Pasadena community. HomeAway remains committed to working alongside Pasadena's city council members and neighborhood leaders to create commonsense regulations that encourage compliance and empowers the city to address issues without sacrificing the positive benefits vacation rentals bring to homeowners, businesses, and communities in Pasadena.

Pasadena has a thriving tourism economy, fueled by the city's many travel destinations and proximity to Los Angeles. Traditional whole-home vacation rentals, particularly secondary homes, are a critical component of this industry, serving families in Pasadena for decades. They attract traveling families looking for a different type of accommodation that enables them to stay together under one roof with flexible amenities to meet their many needs. Eliminating secondary home rentals takes away an important option for travelers and income for Pasadena residents and local businesses.

Not only do travelers rely on these rentals to explore the city with their families, but hundreds of local businesses also rely on the foot traffic and visitor spending from vacation rental guests to keep their doors open. In fact, a recent report found that in 2016, Los Angeles vacation rentals generated \$1.5 billion in economic activity and supported 14,000 full-time jobs.



Furthermore, the current ordinance does not adequately clarify responsibility on the platform level. We recommend the city remove "hosting platform" language leveraged in Section F-3, and instead use the phrase "including any online advertisement." This change will provide clarity to responsible parties including home owners, property managers and government officials in the Pasadena community.

For these reasons, we strongly recommend the City Council revise the ordinance to address these issues.

HomeAway believes in commonsense regulation that encourages compliance and addresses nuisance issues. We look forward to continuing to work with the City Council on this issue and to create fair, reasonable policies as short-term rentals continue to grow in popularity and benefit local Pasadena residents and visitors alike.

Please feel free to contact me directly with any questions. I can be reached at 512.505.1615 and by email at [wgonzales@homeaway.com](mailto:wgonzales@homeaway.com).

Thank you for your time and consideration.



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