Short-Term Rentals

Agenda

- Presentation
- Break Out Session
Short-Term Rentals

- Rental of one or more dwelling units to a visitor for a period of 30 days or less

Short-Term Rentals

Currently, an STR business in Cupertino must comply with the following:
1. Primary resident requirement
2. On-site during the lease period
3. Limited to two (2) or fewer guests
4. Incidental use
5. Must comply with muni code
STRs in Cupertino

- About 300 STRs within City limits

STRs in Cupertino Over Time

18% Growth in Rental Units 2016 to 2017 and 51% from 2017 to 2018 Growth in Rental Units
STRs in Cupertino Over Time

Timeline
- **July** - Planning Commission Input
- **August** – Online Community Survey
- **September** – Regulations drafted
- **October** – Community Meeting

Next Steps
- Consolidate Comments
- Planning Commission Review/Approval
- Council Review/Approval
Key Policy Issues

- Identifying and Managing STRs
- Impacts on Housing Availability
- Neighborhood Impacts
  - Occupancy
  - Parking
  - Noise/Nuisance
- Enforcement and Addressing Complaints

Identifying and Managing STRs

- Proposed:
  - Registration, Business License and permit with property owner approval
    - Permit # required on listings
  - Current Transient occupancy tax required – 12%
  - Records must be kept for a period of 5 years and made available upon request
Impacts on Housing Availability

- Proposed:
  - STR operator must be **primary resident**
  - Only one STR unit/listing per property
  - Unlimited hosted stays
  - Limited un-hosted stays (30 days/year) with notification to City
  - Limited in BMR housing, affordable housing, and senior housing

Neighborhood Impacts

- Proposed:
  - Max Guests: 2 times number of bedrooms
  - All guest vehicles must be on-site
  - Guests must be notified of City rules
  - Only allowed in single-family homes
Neighborhood Impacts

- Proposed:
  - Must have a local contact to respond to any issues
  - Prohibition on renting non-traditional sleeping spaces (balconies, porches, sheds, vehicles, outdoor areas)
  - Prohibition on event or commercial rentals (weddings)

Enforcement and Complaints

- Proposed:
  - Stricter penalties for STR violations
  - Allowing a grace period during initial implementation
  - Right to revoke license after non-compliance
Enforcement and Complaints

- Operational Plans:
  - 24/7 hotline for STR concerns
  - Contract to identify out-of-compliance STRs
  - Review enforcement needs after regulation implementation

Next Steps

- Incorporation of comments from public
- Planning Commission Hearing
- City Council Hearing
  - First Reading
  - Second Reading
- Regulations Effective in 2019
Questions and Comments

- Email planning@Cupertino.org
- Or call 408-777-3308
- For more info, visit www.cupertino.org/str