

**RAY AMENDMENT TO SHORT TERM RENTAL
ALLOCATION AND REGISTRATION REQUIREMENTS**

Overview of Proposed Changes to Current Regulations

SECTION	CHANGE	REASON
6-150.1 Definitions	Adds definition for "Short Term Property Manager"	Allows us to limit the number of properties that can be managed by one individual/entity in Section 6-153(d). See explanation below.
6-152 Registration Fees	Eliminates language around single family homes and multi-family buildings.	Units will be charged according to whether they are owner-occupied or non-owner occupied. It is not necessary to specify what type of building they are in. This simplifies the language and the fee structure.
	Combines Island STRs, Owner-occupied units, and tenant-occupied units in first box of chart.	These three categories all follow the same fee structure, so they can be combined in the chart.
	Deletes language describing minimum annual fee for registration or renewal.	This language is unnecessary, because there is already a maximum amount that can be discounted from the annual rental fee. It also creates confusion because there is no instance in which an STR renewal would be reduced to anything near \$20. Finally, removing this text ensures that if the annual rental fee changes, there will be no need to alter this section of the code as well.

SECTION	CHANGE	REASON
6-153(b) Limitations	Keeps the cap at 300. This is not a change, but it is different from an initial staff recommendation to expand the cap.	To ensure that the number of non-owner occupied STRs in the city remains below 1% of our overall number of housing units, thereby reducing their impact on the housing market.
	Adds language specifying that non owner-occupied units in owner-occupied buildings shall be regulated as non-owner occupied units.	To ensure that we are meeting the original intent of the 300 unit cap, as expressed above.
6-153(d) Limitations	Adds language limiting the number of STRs that may be managed by a single individual or entity.	To discourage large property management companies from moving into the STR management business and marketing their services to owners who may not otherwise consider converting units from LTR to STR.
6-153(f) Limitations	Adds "mainland"	To ensure Island rentals are not affected by the chart change.
	Decreases the number of STR Units allowed in Owner-Occupied Multi-Units on the mainland.	To ensure that the number of STR units in a building remains proportional to the number or LTR units in the building, and to ensure that no building can ever be completely composed of STR units.
	Adds language below the chart clarifying that tenant-occupied and owner-occupied STR units <i>do</i> count toward the number of STR units in a building	Again, to make sure that no multi-unit can ever comprise solely STR units and that the number of STRs remain proportional to the number of LTRs in a multi-unit.

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	Eliminates language about lottery.	To ensure that if/when space becomes available under the cap, the waitlist is used to allow the "next person in line" the opportunity to take that space.
6-154	Added auto-renewal language.	To allow for auto-renewal of valid non owner-occupied mainland STR units. Also states that failure to do so by January 1 effectively puts someone on the waiting list if the Cap has been met. This will help us to get back under the cap if we have exceeded it.
	Added language to clarify what will happen if counting non-owner occupied STRs in owner-occupied buildings toward the Cap causes us to exceed the Cap.	To respect STR operators who legitimately registered their units in 2017 while also keeping our cap at 300, even if we have to get back to it through attrition.